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APPROACH AND OBJECTIVES

The Annual Plan for 1966-67 presented in this document, though formulated in advance of the Draft Outline for the Fourth Plan, has to be viewed with the broad framework of the Five-Year Plan set out in the Memorandum submitted to the National Development Council in September, 1965. It is inevitable that the Plan for 1966-67 takes into account the existing strains in the economy, arising from the many unforeseen events of the Third Plan period. At the same time, it must seek to keep in accord with the objectives and strategy which underly the developmental efforts in the Fourth Plan period. As will be explained later, it has not, been easy to strike a balance between these considerations of offsetting immediate strains and of ensuring an adequate start towards the realisation of our longer-term objectives.

Prior to delineating the broad features of the Annual Plan for 1966-67, it is important to state briefly the larger context into which it has to fit. Beset as we are today, with shortages in real as well as financial resources, a special effort is required to maintain a proper perspective of future development. For the fifteen-year period commencing with the Third Plan, the goals that the country had accepted are briefly the following: to lay a sound foundation for self-sustaining economic growth, to provide gainful employment to all those who seek it, to ensure a minimum level of living to every family in the country, and to narrow the disparities in economic and social status. These objectives are to be realised over a period of three five-year plans, each of them setting the stage for more rapid advance in the next.

The longer-term objectives mentioned above remain as crucial today as they were at the beginning of the Third Plan. Indeed the insufficient progress in the Third Plan period makes it even more necessary that we make a determined effort to enlarge our efforts and achievements in the Fourth and the Fifth Plan periods.

There is little dispute that progress in the Third Plan period has been less than adequate and less than anticipated. Although in financial terms the Plan targets will have been reached, several of the physical targets of production and capacity will not be achieved by March, 1966—the most significant shortfalls being in the agricultural sector. The unprecedented difficulties that the country had to face in 1965-66 in the form of a severe drought and a severe restriction on imports, have further contributed to making the actual position less satisfactory than it might otherwise have been. It is perhaps natural in this context to be over-influenced by current problems and not pay adequate attention to the many underlying factors of relevance to future development. Though all of the investments undertaken in the Third Plan period have not yielded fruit within the Plan period, it must be emphasised that they constitute the source for substantial additions to production in the initial years of the Fourth Plan period, and will help in securing more effective Plan implementation in all the sectors. In the transport, power and coal-mining sectors, the capacity built up by the end of the Third Plan and the investments which will bear fruit immediately thereafter, will be such as to prevent bottlenecks similar to those experienced in the early years of the Third Plan. There have been significant expansions in the fields of education, public health facilities and so forth, which provide a base for further advance in the coming years. It must be admitted, however, that in regard to education, quantity has suffered in this qualitative advance and needs special attention during the Fourth Plan period. In the principal commodity-producing sectors of industry and agriculture, it is true that the rate of growth of output has not been as envisaged. But part of this, as for instance in the industrial field, is because of difficulties in utilizing fully the available capacity—difficulties arising in a substantial measure from the shortage of industrial raw materials which had to be imported. However, as some of the past investments come into fruition, as for example in steel and aluminium, and as additional maintenance imports are secured, much of the leeway in industrial production can be made up quite rapidly. The completion of the investments already under way would also result in further diversification of industrial production, which in its turn will enhance the capacity of the country, both for replacement of imports and for promotion of new exports.

Where performance has been significantly short of expectations as in agriculture, and it is this failure which has largely been responsible for limiting the increase in consumption standards of the common people and for the abnormal increase in prices, which so dominates the current scene. Even at the time of the Mid-Term Appraisal of the Third Plan, serious note was taken of the stagnancy in agricultural production. Since then, a series of measures have been and are continuously being taken, to remove the impediments to faster growth in this sector. In accordance with the needs of the current situation, as well as in view of the intimate dependence of growth in consumption standards on future agricultural progress, the main emphasis in the Fourth Plan is, as set out in the Memoranda submitted to the National Development Council in October, 1964 and September, 1965, in securing the rapid increase in agricultural production. The basic strategy of the Fourth Plan for achieving quick and substantial additions to agricultural output is explained later in this document. It is necessary here only to point out that in the next year, as in the years following it, the highest priority is being given to agriculture, and in the other sectors of the economy, to activities catering to the needs of agriculture.

Vital as agricultural development is, it cannot obviously constitute the whole of our development strategy. This is because progress in agriculture is closely linked with the development of power, transport and industries—large and small. The supply of fertilizers, pesticides, construction materials, implements and processing equipment, needed for the agricultural programme, are all products of industry. Moreover, though the bulk of consumption goods is provided by agriculture, it will be necessary to add to the consumption basket of the common people many products of manufacturing industries as average incomes in the country go up with larger agricultural and industrial production. In a more fundamental sense, a structural change that has to be engineered for the benefit of agriculture is that of reducing the pressure of labour on land by enlarging employment opportunities in the industries and services sectors. A large increase in small-scale industries and diversification of the production structure are necessary to create continuing employment for the labour force which is already large and will grow further in the Fourth Plan period. Emphasis should also be placed on functional literacy for the rural population in order not only to promote agricultural production, but also to ensure a better utilisation of the human factor in economic growth. There are, therefore, essential inter-relationships which have been recognised in the long-term strategy for development underlying our Plans; and these cannot be disturbed without detriment to the growth of the economy in general and of the agricultural sector in particular. Furthermore, the assigning of high priority for agriculture does not require a curtailment of developmental effort in other areas since such curtailment does not necessarily release real resources for investment in the agricultural sector. From the viewpoint of mobilizing financial resources also, a sustained expansion in industries is essential since the bulk of savings and tax revenues are generated from incomes arising in the dynamic sectors of industries and services. Far from there being a conflict between industrial investment and agricultural growth, these are complementary to each and have necessarily to be developed simultaneously.

There is a further element to be emphasised in this report. A progressive reduction in the dependence on foreign assistance is an accepted objective of economic policy. This has to be secured not by any one sector but by the economy as a whole. In pursuance of this, measures will have to be taken both for import substitution and enlargement of export earnings. Apart from food imports, which have to be eliminated through increased agricultural production, the large part of our imports consists of petroleum products and crude oil, metals, chemicals, machinery and equipment. As the economy grows in size and complexity, the demands for these commodities will also grow; and unless special efforts are made to enlarge their domestic production, there would be no escape from large-scale and continuing dependence of foreign loans and grants. As the scope for financing our import requirements through a big increase in traditional exports such as tea, jute and managanese, is not unlimited new lines of export, mostly of ores and manufactured articles, would need to be developed in order to augment our export earnings on the one hand and contain our requirements of imports on the other. As a means of attaining long-term viability of our balance of payments, the efficient and accelerated development of a variety of capital goods industries has to continue to be an essential part of the development strategy. This not only remains true for the Fourth Plan period but gains added importance from the increased uncertainties associated with massive dependence on foreign assistance.

Over the years, very considerable progress has in fact been made in the matter of import substitution; and despite all the difficulties of the Third Plan period, the trend towards import replacements had been strengthened in many areas; in the case of mild steel, for example, nearly 34% of total supplies were obtained from imports in 1960-61; whereas in 1964-65 the proportion of imports to total supplies was only 19%. Likewise, imports as a percentage of total supplies diminished during the Third Plan period from 56% to 29% in the case of aluminium, from 49% to 35% in respect of kerosene, from 13% to 5·8% in drugs and pharmaceuticals, from 40% to 11% in the case of soda ash, from 55% to 25% in respect of plastics and from 62% to 46% in respect of machine-tools. These are many other similar examples, such as sugar and paper machinery, typewriters, commercial vehicles, radio receivers, etc., which have also evinced the same trend. This is all the more significant when it is recognised that over the last four years, the demands for all of these commodities have been rising with increases in domestic incomes and investments. Thus, there has been established an in-built tendency in the economy for import substitution and economic self-reliance. Of course, this has to be strengthened and taken further in the succeeding Plan periods, through continued growth and diversification of industrial production.

As in the field of import substitution, in regard to enlargement of exports also, substantial progress has been achieved since 1960-61. India's export earnings have steadily increased from around Rs. 680 crores in 1961-62 to an estimated level of Rs. 820 crores in 1965-66; and what is equally significant is the development of new lines of exports of industrial origin. For promoting exports, instruments such as trade agreements with many countries, export entitlement schemes, fiscal incentives and so forth, have been incorporated in the policy framework. These measures, together with the increase in domestic production, hold promise for further acceleration of export earnings in the Fourth Plan period. While export promotion will thus constitute a high-priority activity in the Fourth Plan period, it will still not be realistic to expect an increase in export earnings sufficient to meet all of our requirements of exports and debt-servicing for some years to come. The balance of payment difficulties will in other words, continue to be a dominant factor in the economic situation and will require to be eased through resort to substantial external assistance. The objective in this regard would be to ensure that the utilisation of external resources is such as to enhance rapidly the capability of the country to do without massive foreign assistance in the next seven/ten years. If this objective is to be realised according to plan, it is vital to ensure unfetered development of the metals, chemicals, machinery, equipment and fuel industries. The Fourth Plan framework has, therefore, sought to combine this pattern of industrial development with the priority for agricultural growth. Similarly in formulating the Annual Plan for 1966-67, this element of the continuing strategy has been borne in mind, subject only to the fact of resource limitation.

Since every plan must evoke popular response if it is to be successful, and since the ultimate objective of planned development is the improvement in the conditions of living of the people, the investment on commodity production has to be matched by allocation of adequate resources to those activities which constitute an investment in human resources. The Fourth Plan has, therefore, provided for a much larger proportion of the Plan outlay to the education, health, water supply and such other social service sectors. It is the progress achieved in these areas which will immediately be reflected in the living conditions of the mass of the people, and enlarge their sense of involvement in the development process. However, rapid expansion of these facilities depends very largely on mobilization of internal resources through means which are non-inflationary. In this sense, the effort that can be undertaken during the Fourth Plan period for provision of these essential services is closely dependent on the willingness with which additional measures for resource-mobilization are accepted by the community at large. In formulating the Fourth Plan proposals, it has been emphasised by Government that deficit financing is to be avoided. In the context of the price increases of essential commodities that have already occurred, avoidance of deficit financing is an essential precautionary measure. Even for important activities such as promoting the social welfare of the mass of the people, deficit financing would not be advisable in a situation in which the supply of basic commodities such as food is so inadequate. Consequently, the choice before us is either to limit outlays on all sectors, including the social services sector to available resources; or to take additional measures to enlarge Plan resources through fiscal and other means in a degree sufficient to finance accelerated programmes and to devote prior attention to quick-yielding schemes, which, by augmenting production would generate greater resources in subsequent years.

The National Development Council, while adopting the outlay of the order of Rs. 21,500 crores (Rs. 14,000 crores in the public sector *plus* Rs. 7,000 crores in the private sector) suggested for the Fourth Plan in the Planning Commission paper 'Resources, Outlays and Programmes' presented at the 22nd meeting of the Council held on the 5th and 6th September, 1965, felt that, in view of the emergency created by Pakistan's aggression, a re-appraisal of the detailed proposals of the Fourth Plan had become imperative. Accordingly, the late Prime Minister as the Chairman of the Council was authorised to make adjustments in the Plan, as he considered necessary, to meet the emergent situation and safeguard the country's security and long-term interests.

The Planning Commission had been asked by the late Prime Minister to undertake studies in order to determine the changes that were needed to be made in the programmes proposed for the Fourth Plan to ensure that the requirements of both defence and development are met, so far as possible, by the development of productive resources in the country. These studies have now been completed and the preparation of an Outline of the Fourth Plan, which will take into account results of these studies, has been taken in hand. However, towards the close of 1965 and early 1966, it was necessary to concentrate attention on the task of formulating the Annual Plan for 1966-67, the first year of the Fourth Plan, in order that the implementation of the programmes to be included during that year was not delayed.

Whilst the Annual Plan for 1966-67 had necessarily to take into account the basic objectives and strategy of the Fourth Plan, as outlined above, it was also conditioned by certain recent developments which had serious repercussions on the economy. The conflict with Pakistan and the threat on our northern border has meant the stepping up of expenditure on defence with a consequent effect on resources available for the Plan. A concomitant of the aggression was a virtual cessation of foreign aid and, although aid has now been resumed from many countries, there are still uncertainties and these, together with the hiatus caused by the cessation of aid. have had a marked effect on the economy. The severe drought conditions in several parts of the country in 1965 have not only resulted in a sharp set-back in agricultural production thereby creating an acute food problem but also in the need for providing relief in the scarcity affected areas. The rise in prices during the last year, caused primarily by the fall in agricultural production, has resulted in increased demands for non-Plan expenditure on pay and allowances and has highlighted the urgent need for curbing inflationary forces and avoiding deficit financing. Utmost conomies have had, therefore, to be exercised in both Plan and non-Plan programmes, particularly through a drastic reduction in expenditure on construction and establishment. At the same time, greater effort had likewise to be made to mobilise additional resources and savings and to avoid deficit financing so as to ensure general economic stability. All these factors have had their effect on the strategy of the Annual Plan for 1966-67 and on the availability of financial resources for development programmes.

PLAN OUTLAY, PRIORITIES AND TARGETS

Keeping these long and short-term objectives in view, the Planning Commission issued guide-lines to State Governments and the Central Ministries on the formulation of the Annual Plan for 1966-67. They were asked to give the highest priority to agricultural production, particularly to schemes which were quick-yielding and helped to augment production in the shortest possible time. State Governments were asked to provide adequate funds in their State Plan for the purpose. The Family Planning programme was also to be given high priority. The State Governments and Central Ministries were further advised that only those schemes should be included for which details had been fully worked out or were likely to be worked out by March, 1966 so that there was no delay in implementation and funds were not tied to schemes which were unlikely to make much headway. It was also stressed that it may not be possible to provide for schemes requiring foreign exchange unless arrangements had already been made or were expected to be made in time for purchase of imported equipment. It was further indicated that priority should be given to projects/schemes which promoted exports or facilitated import substitution. The circular also laid emphasis on inclusion, as far as possible, of quick-yielding schemes, expeditious completion of those continuing schemes which can be quickly brought into production and utilization of capacities already created. The need was also stressed for keeping expenditure on new construction down to the minimum and making more intensive use of existing institutions and facilities and their expansion rather than the settng up of new institutions.

On the basis of these guide lines, the Central Ministries and State Governments formulated their proposals for the Annual Plan for 1966-67. The aggregate outlay proposed was, however, considerably in excess of the estimated resources of the order of Rs. 2,080 crores available for financing the 1966-67 Annual Plan. The task before the Planning Commission was, therefore, to scrutinise the proposals in the light of the emergency and to contain the proposals made for the Annual Plan—1966-67—within the financial ceiling of Rs. 2,080 crores or thereabouts. This was attempted during November-December 1965 in a series of parallel discussions on the 1966-67 Annual Plan proposals with the Governments of States and Union Territories on the one hand and representatives of the Central Ministries on the other. The total outlay arrived at these discussions is of the order of Rs. 2,082 crores as against an anticipated expenditure of Rs. 2,080 crores for the annual plan of 1965-66. Besides, following the usual practice of treating the current expenditure on account of completed plan schemes as committed expenditure, these will include in 1966-67 an amount of about Rs. 300 crores as non-Plan part of the normal budget.

A brief statement of the Outlay in 1966-67 for the Centre, States and Union Territories, by broad categories of development, is given below:

Annual Plan—1966-67: *Outlays by major heads of Development and Centre, State and Union Territories*

(Rs. crores)

	Centre	States	Union Territories	Total
1	2	3	4	5
1. Agriculture & Community Development	43·54	278·56	10·45	332·55
2. Irrigation & Power . . .	54·28	396·25	14·17	464·70
3. Industry & Mining . . .	476·59	45·72	2·46	524·77
4. Transport & Communications . .	351·89	65·17	11·37	428·43
5. Social Services	147·70	133·49	19·69	300·88
6. Miscellaneous	15·37	12·53	2·31	30·21
TOTAL . . .	1089·37	931·72	60·45	2081·54

NOTE.—Some *inter-se* adjustments in the aggregate plan outlay for Centre including Union Territories has still to be made. In the case of the States the Outlays represent provisions recommended by the Planning Commission. These will be adjusted according to the States' budget provisions. The Statewise adjustments are likely to be of a marginal nature. The aggregate Plan Outlay for 1966-67 is expected to approximate to Rs. 2081 crores or thereabouts.

A more detailed statement by principal heads of development is given in Appendix I. Appendix II shows the distribution of outlay by heads of development for individual States and Appendix III for Union Territories.

The bulk of the outlay in each sector is in respect of continuing schemes. From among new projects proposed, generally those have been included which had been fully worked out and on which preliminary work had been completed or likely to be completed by the end of March, 1966 and arrangements for foreign exchange had been made or were in sight so that there would be no delay in implementation of funds would not be tied to schemes which were not likely to make much headway. Some token provision has been made for certain new schemes to enable investigations and preparatory work to be carried out for the Fourth Plan; in other cases amounts involved were relatively small.

Care has been taken to see that priority schemes are not handicapped for want of resources. Since the main strategy of the Fourth Plan is to raise the standards of consumption of the masses by providing basic consumption goods which originate primarily in the agricultural sector, an outlay of Rs. 333 crores has been proposed in the Annual Plan for 1966-67 for Agriculture, including Community Development and Cooperation as against an anticipated expenditure of Rs. 297 crores in 1965-66. It may also be stated that, whereas in the first year of each Five Year Plan the outlay on agriculture has in the past been lower than in the last year of the preceding Plan, in 1966-67, the proposed outlay for agriculture is higher than in 1965-66. In the Irrigation sector the outlay for 1966-67 is mainly on continuing schemes with a small provision for taking preliminary action on a few new schemes. In Power, priority has been given to the completion of schemes for which the bulk of equipment has already been received or ordered. Emphasis has been laid on quickly establishing the inter-connection of the various State grids in order to make the maximum use of existing power capacity. Special attention has also been given to stepping-up the supply of electricity for agricultural purposes and the provision for rural electrification has been substantially increased. About a lakh pumps and tubewells are to be electrified during 1966-67. In the Industrial sector, priority has been given to projects which help the defence effort and further the drive for import substitution and expansion of exports through diversified and increased industrial production. It is proposed to complete expeditiously such projects which are well under way and on which substantial investments have already been made so that the benefits from these schemes are available as quickly as possible. New projects have been included only when they have been reckoned as being of high priority or are related to providing inputs for agriculture and the foreign exchange for which has already been arranged or is expected to be arranged soon. In the programmes of Transport and Communications, stress has been placed on schemes which are in an advanced stage of progress. Certain new schemes which are of an essential nature and projects which meet the specific needs of defence have also been included.

After having provided for priority schemes in the agricultural, irrigation, power, industrial and transport sectors, the funds available for programmes in the social services sector are perforce relatively limited. The accent in this sector in the Annual Plan is, therefore, on proceeding with normal expansion and on consolidation and improvement in quality. Programmes which purport to achieve a significant acceleration in the expansion of facilities had largely to be deferred to subsequent years of the Plan, although some initial action for these programmes has been provided for. Since it is necessary to make adequate provision for basic amenities of life which largely fall within this sector, it is intended in subsequent years to step up these programmes in order to reach the enhanced Fourth Plan targets. A perceptible increase in the standard of living can only be achieved by curbing the rate of growth of population, which has in recent years been much larger than what was anticipated previously. It has, therefore, become imperative that the Family Planning programme be pursued vigorously from the very first year of the Fourth Plan. Accordingly, the outlay on family planning in 1966-67 will be double that in the preceding year. Provision has also been made to expand technical education and craftsmen training programmes in order to meet the growing need for such personnel and to provide opportunities for lucrative employment. The rural manpower programme has been expanded in order to provide additional employment opportunities to larger numbers in the rural areas. Advance action is also being instituted on those educational programmes as will lead to a rise in functional literacy and a better adaptation of the educational system to the needs of economic development. These measures are expected to make some improvement in the general standard of living.

A statement showing the selected targets of production and development for the Annual Plan for 1966-67 is given in Appendix IV.

APPENDIX I

Annual Plan 1966-67—Centre, States and Union Territories

Statement showing anticipated Outlay for 1965-66 and Outlay agreed for 1966-67

(Rs. crores)

Head of Development	1965-66				1966-67			
	Total	Centre	States	Union terri-tories	Total	Centre	States	Union terri-tories
Agriculture Production	66·17	4·62	59·12	2·43	85·05	15·05	66·99	3·01
Ayacut Development	3·26	..	3·26	..	5·21	1·20	4·01	..
Minor Irrigation	78·75	1·45	76·58	0·72	87·94	2·17	84·89	0·88
Soil Conservation	26·41	3·02	22·72	0·67	28·90	3·50	24·66	0·71
Animal Husbandry	14·63	0·44	13·42	0·77	16·33	1·57	13·65	1·11
Dairying & Milk Supply	8·91	0·67	8·04	0·20	9·47	0·43	8·78	0·26
Forests	14·83	1·34	11·90	1·59	16·61	3·12	12·04	1·45
Fisheries	8·80	0·98	7·03	0·79	11·58	2·68	8·25	0·65
Warehousing, Marketing & Stores	10·10	8·67	1·32	0·11	6·70	5·00	1·61	0·09
Agricultural Programmes	**231·98**	**21·19**	**203·39**	**7·28**	**267·76**	**34·72**	**224·88**	**8·16**
Cooperation	18·15	3·09	14·46	0·60	21·20	8·13	12·45	0·62
Community Development	59·23	0·66	56·96	1·61	41·90	0·69	39·80	1·41
Panchayats	3·28	..	3·01	0·27	1·69	..	1·43	0·26

Head of Development	1965-66				1966-67			
	Total	Centre	States	Union Territories	Total	Centre	States	Union Territories
Community Development and Cooperation	**80·66**	**3·75**	**74·43**	**2·48**	**64·79**	**8·82**	**53·68**	**2·29**
Irrigation	151·02	3·94	146·93	0·15	113·67	1·31	112·01	0·35
Flood Control	16·49	..	16·49	..	10·65	0·75	8·74	1·16
Power	382·95	51·78	318·32	12·35	340·38	52·22	275·50	12·66
Irrigation and Power	**550·46**	**55·72**	**481·74**	**13·00**	**464·70**	**54·28**	**396·25**	**14·17**
Organised Industry & Mineral Development	455·43	423·00	31·99	0·44	477·73	449·08	27·97	0·68
Village & Small Industries	54·20	28·97	23·61	1·62	47·04	27·51	17·75	1·78
Industries and Mining	**509·63**	**451·97**	**55·60**	**2·06**	**524·77**	**476·59**	**45·72**	**2·46**
Railways	282·49	282·49	..	..	225·00	225·00	..	..
Roads	112·67	48·00	56·12	8·55	92·21	35·00	48·57	8·64
Road Transport	8·91	..	7·18	1·73	16·05	0·15	14·13	1·77
Ports & Harbours	13·23	12·06	1·03	0·14	14·95	13·67	1·07	0·21
Shipping	9·44	9·06	..	0·38	0·30	..	..	0·30
Posts & Telegraphs	27·85	27·85	..	..	26·30	26·30	..	..
Civil Aviation	13·09	12·84	0·11	0·14	5·56	5·30	0·11	0·15
Air Corporations	..	..	..	..	14·00	14·00	..	..
Inland Water Transport	0·80	0·68	0·09	0·03	2·25	1·95	0·14	0·16
Broadcasting	1·77	1·77	..	..	1·90	1·90	..	..

Tourism	2·51	1·36	0·96	0·19	1·94	0·65	1·15	0·14
Other Communications	2·72	2·72	..	..	2·53	2·53	..	..
Lighthouses	0·60	0·60	..	..	0·44	0·44	..	..
Farakka Barrage	14·24	14·24	..	..	12·50	12·50	..	..
Strategic Roads.	5·00	5·00	..	..	12·50	12·50	..	..
Transport & Communications	495·32	418·17	64·49	11·16	428·43	351·89	65·17	11·37
General Education & Cultural Programmes	141·32	26·95	103·99	10·38	69·43	24·48	39·16	5·79
Technical Education	38·81	21·34	16·35	1·12	29·24	14·67	13·84	0·73
Scientific & Technological Research	25·58	25·58	..	..	17·80	17·80	..	..
Health & Water Supply	88·53	14·27	65·24	9·02	81·60	20·13	53·41	8·06
Housing & Construction	33·56	15·78	12·92	4·86	25·08	12·25	9·26	3·57
Welfare of Backward Classes	29·34	13·00	15·54	0·80	24·31	14·50	9·16	0·65
Social Welfare	5·35	3·04	1·96	0·35	5·79	4·26	1·19	0·34
Public Cooperation	0·75	0·55	0·14	0·06	0·78	0·61	0·13	0·04
Labour & Labour Welfare	18·95	10·55	7·66	0·74	17·20	9·35	7·34	0·51
Rehabilitation	15·00	15·00	..	..	18·65	18·65	..	..
Rural Works	10·00	10·00	..	..	8·00	8·00	..	..
Local Works	..	..	..	..	3·00	3·00	..	..
Social Services	407·19	156·06	223·80	27·33	300·88	147·70	133·49	19·69
Miscellaneous	22·12	1·08	19·16	1·88	30·21	15·37	12·53	2·31
Grand Total	2296·24	1108·44	1122·61	65·19	2081·54	1089·37	931·72	60·45

APPENDIX

Annual Plan :

Statement showing distribution of outlay

Heads	Andhra Pradesh	Assam	Bihar	Gujarat	Jammu & Kashmir	Kerala	Madhya Pradesh
1	2	3	4	5	6	7	8
Agricultural Production .	3·96	2·49	6·20	3·20	1·27	4·73	5·90
Minor Irrigation .	6·41	1·35	6·45	4·17	0·60	2·30	6·50
Soil Conservation .	0·81	0·10	0·42	2·71	0·28	0·38	1·98
Animal Husbandry .	0·54	0·36	1·12	0·99	0·40	0·49	1·30
Dairying & Milk Supply	0·76	0·13	0·44	1·01	0·18	0·20	0·32
Forests . . .	0·32	0·21	0·58	0·70	0·35	0·75	1·59
Fisheries . . .	0·50	0·11	0·45	0·77	0·06	1·39	0·30
Warehousing & Marketing	0·06	0·04	0·09	0·29	..	0·10	0·09
Area Programme for Irrigation Projects .	1·64	0·01	..	0·30	..	..	..
Agricultural Programmes	15·00	4·80	15·75	14·14	3·14	10·34	17·98
Cooperation . .	0·88	0·31	0·51	0·84	0·15	0·32	1·61
Community Development	2·00	1·56	3·00	1·81	0·68	1·41	2·25
Panchayats . .	..	0·05	0·07	0·13	0·11	0·05	0·25
Community Development & Co-operation .	2·88	1·92	3·58	2·78	0·94	1·78	4·11
Irrigation . . .	13·10	1·05	15·00	10·28	0·25	2·76	7·01
Flood Control . .	0·15	2·00	0·71	0·10	1·30	0·15	0·03
Power . . .	32·00	5·25	22·75	9·15	4·01	15·00	13·50
Irriagtion & Power .	45·25	8·30	37·46	19·53	5·56	17·91	20·54
Organised Industry .	1·50	1·75	0·96	1·17	0·72	1·12	1·06
Mineral Development .	0·12	0·06	0·50	0·70	0·43	0·02	0·31
Village & Small Industries	1·28	0·50	1·20	0·64	0·72	1·35	0·82
Industry & Mining .	2·90	2·31	2·66	2·51	1·87	2·49	2·19

II

1966-67

by Heads of Development—States

(Rs. crores)

Madras	Maharashtra	Mysore	Orissa	Punjab	Rajasthan	Uttar Pradesh	West Bengal	Nagaland	Total
9	10	11	12	13	14	15	16	17	18
3·88	7·00	3·24	4·02	4·37	2·73	7·72	6·00	0·28	66·99
7·64	8·50	6·20	2·80	3·25	3·35	21·30	4·00	0·07	84·89
1·10	9·93	1·00	0·47	1·60	0·58	2·56	0·65	0·09	24·66
1·24	1·58	0·60	1·03	0·80	0·58	1·60	0·90	0·12	13·65
0·72	2·14	0·48	0·12	0·50	0·08	1·00	0·70	..	8·78
0·70	1·78	0·77	0·80	0·80	0·21	1·33	0·80	0·35	12·04
1·00	1·22	0·48	0·60	0·08	0·08	0·30	0·85	0·06	8·25
0·20	0·19	0·13	0·10	..	0·08	0·04	0·20	..	1·61
0·03	0·70	1·04	0·06	..	0·18	0·05	..	..	4·01
16·51	33·04	13·94	10·00	11·40	7·87	35·90	14·10	0·97	224·88
1·04	2·07	0·98	0·80	0·60	0·25	1·42	0·57	0·10	12·45
4·18	5·01	2·36	2·50	2·00	2·13	6·18	2·53	0·20	39·80
..	..	0·03	0·05	0·07	0·04	0·18	0·40	..	1·43
5·22	7·08	3·37	3·35	2·67	2·42	7·78	3·50	0·30	53·68
5·65	16·36	5·00	6·87	4·45	6·45	14·50	3·30	..	112·03
0·05	..	..	0·50	1·50	0·73	1·00	0·50	..	8·72
23·70	29·42	14·21	12·00	25·50	11·97	46·17	10·32	0·55	275·50
29·40	45·78	19·21	19·37	31·45	19·15	61·67	14·12	0·55	396·25
1·75	2·08	0·96	1·50	0·90	0·03	4·21	4·20	0·02	23·93
0·15	0·30	0·15	1·00	0·07	0·14	0·08	0·01	..	4·04
3·66	1·57	0·70	0·46	1·57	0·10	2·00	1·00	0·18	17·75
5·56	3·95	1·81	2·96	2·54	0·27	6·29	5·21	0·20	45·72

1	2	3	4	5			5
Roads . . .	2·55	2·50	2·75	2·50	2·35	1·20	1·79
Road Transport .	1·60	0·20	0·48	1·17	0·28	..	1·69
Tourism . . .	0·01	0·01	0·03	0·04	0·29	0·08	0·01
Ports & Harbours .	..	..	..	0·50	..	0·05	..
Other Transport .	..	0·05	0·04	..	..	0·05	..
Transport & Communications . . .	4·16	2·76	3·30	4·21	2·92	1·38	3·49
General Education .	2·69	1·90	2·93	1·50	0·82	2·26	1·89
Technical Education .	0·68	0·50	0·73	0·54	0·54	0·89	0·77
Health & Water Supply	4·65	1·60	4·40	3·39	1·80	2·58	3·72
Housing & Construction	0·21	0·12	0·30	0·50	0·25	0·20	0·35
Welfare of Backward Classes . . .	0·40	1·75	0·65	0·19	0·09	0·21	0·86
Social Welfare . .	0·11	0·05	0·02	0·03	0·05	0·08	0·09
Labour & Labour Welfare	0·25	0·19	0·64	0·30	0·09	0·20	0·53
Public Cooperation .	0·01	0·01	..	0·03	0·01	0·01	..
Social Services . .	9·00	6·12	9·67	6·48	3·65	6·43	8·21
Statistics . . .	0·03	0·03	0·01	0·01	0·02	0·04	0·04
Publicity . . .	0·03	0·15	0·05	0·03	0·01	0·02	0·07
Local Bodies . .	..	0·03	0·10	..	0·16	0·15	0·05
State Capital Projects	..	..	..	..	..	..	1·15
Others . . .	..	0·03	..	..	0·77	0·01	0·07
Miscellaneous . .	0·06	0·24	0·16	0·04	0·96	0·22	1·48
GRAND TOTAL . .	79·25	26·45	73·58	49·69	19·04	40·55	58·00

II—*contd*.

9	10	11	12	13	14	15	16	17	18
1·43	10·20	2·80	3·40	2·50	1·00	6·00	4·50	1·10	48·57
0·75	2·64	1·50	0·40	0·12	0·80	..	1·20	0·30	13·13
0·07	0·09	0·05	0·02	0·06	..	0·05	0·30	0·04	1·15
..	..	0·30	..	..	..	..	..	..	0·85
..	0·22	..	1·00	0·11	..	..	..	..	1·47
2·25	13·15	4·65	4·82	2·79	1·80	6·05	6·00	1·44	65·17
5·05	5·26	1·53	1·20	2·80	1·26	2·75	4·80	0·53	39·16
1·56	1·68	0·50	0·55	1·20	0·33	2·36	1·00	0·01	13·84
6.54	5·33	4·10	2·00	2·50	2·80	4·00	3·50	0·50	53·41
1·33	2·74	0·45	0·20	0·11	0·10	0·65	1·50	0·25	9·26
1·16	0·80	0·60	0·45	0·45	0·20	0·65	0·50	0·20	9·16
0·13	0·23	0·07	0·04	0·12	0·04	0·03	0·10	..	1·19
0·50	1·21	0·24	0·23	0·77	0·04	1·55	0·60	..	7·34
0·01	0·01	0·01	..	0·01	0·01	0·01	..	..	0·13
16·28	17·26	7·50	4·67	7·96	4·78	12·00	12·00	1·49	133·49
0·07	0·01	0·05	0·07	0·06	0·02	0·01	0·04	0·02	0·53
0·03	0·07	0·18	0·11	0·11	0·04	0·05	0·05	0·06	1·06
..	..	..	0·10	..	..	..	0·63	0·08	1·30
..	..	..	0·27	0·50	..	..	1·65	..	3·57
0·01	..	0·01	0·05	0·45	0·12	4·20	0·24	..	5·97
0·11	0·08	0·24	0·60	1·12	0·18	4·26	2·61	0·16	12·53
75·33	120·34	50·72	45·77	59·93	36·47	133·95	57·54	5·11	931·72

APPENDIX III

Annual Plan 1966—67

Statement showing distribution of Outlay by Heads of Development—Union Territories

(Rs. lakhs)

Heads	Himachal Pradesh	Manipur	Pondicherry	Tripura	Goa, Daman & Diu	Delhi	Laccadive, Minicoy & Amindivi Islands	Andaman & Nicobar Islands	Dadra & Nagar Haveli	N.E.F.A.	Total
1	2	3	4	5	6	7	8	9	10	11	12
Agricultural Production	97	10	33	29	65	39	1	9	3	15	301
Minor Irrigation	20	2	8	10	18	27	..	1	..	2	88
Soil Conservation	45	1	2	8	11	2	..	1	1	..	71
Animal Husbandry	34	5	7	25	21	6	1	4	1	7	111
Dairying & Milk Supply	10	3	..	7	4	..	..	1	1	..	26
Forests	68	5	@	13	18	£	..	13	2	26	145
Fisheries	5	3	@	8	27	2	15	4	..	1	65
Warehousing & Marketing	..	..	..	..	9	..	..	..	..	..	9
Agricultural Programmes	279	29	50	100	173	76	17	33	8	51	816
Cooperation	10	6	6	8	6	4	2	3	2	15	62
Community Development	41	15	3	18	30	..	..	7	5*	22	141
Panchayats	6	1	..	12	6	N	..	1	..	..	26

@Included under 'Agricultural Production'.

£Included under 'Soil Conservation'.

*Budget Estimates N Negligible.

APPENDIX III—*contd.*

1	2	3	4	5	6	7	8	9	10	11	12
Community Development & Cooperation .	57	22	9	38	42	4	2	11	7	37	229
Multipurpose Projects	..	..	..	..	..	..	..	..	..	..	..
Irrigation	..	..	15	..	15	..	..	..	5	..	35
Flood Control	..	4	3	8	..	101	..	..	..	..	116
Power	92	22	20	56	145	900	4	9	3	15	1266
Irrigation & Power	92	26	38	64	160	1001	4	9	8	15	1417
Organised Industry	4	6	5	20	11	19	N	..	..	..	65
Mineral Development	1	..	..	..	2	..	..	..	..	..	3
Village & Small Industries	31	13	7	20	13	81	1	2	1	9	178
Industry & Mining	36	19	12	40	26	100	1	2	1	9	246
Roads	260	160	10	100	50	170	..	51	8	55	864
Road Transport	43	15	..	1	32	100	..	4	..	..	195
Tourism	1	1	N	15	10	..	..	1	..	..	28
Air Strips	..	..	..	..	..	..	..	..	..	15	15
Ports & Harbours	..	..	..	..	..	.. }	26	2	..	..	} 35
Other Transport	..	..	..	..	..	..		7	..	..	
Transport & Communications	304	176	10	116	92	270	26	65	8	70	1137
General Education	60	33	32	55	58	[illegible]	9	15	9	33	579
Technical Education	..	..	..	8	8	21	36	..	..	..	73
Health	53	48	30	30	143	330	2	17	8	45	806

N—Negligible.

APPENDIX III—*contd.*

1	2	3	4	5	6	7	8	9	10	11	12
Urban Development, Housing & Construction	11	8	8	7	20	400	N	1	2	..	357
Welfare of Backward Classes	10	17	3	21	5	6	1	1	1%	..	65
Social Welfare	3	..	3	3	12	13	..	..	..	..	34
Labour & Labour Welfare	7	..	5	5	6	27	..	1	..	..	51
Public Cooperation	1	..	..	..	2	1	..	..	..	..	4
Social Services	145	106	89	129	267	1088	12	35	29	78	1969
Statistics	..	1	N	1	1	1	N	..	..	1	5
Publicity	..	2	1	6	5	2	..	..	..	5	21
Local bodies	..	..	5	4	25	..	..	..	..	..	34
Other Backward Areas	..	..	..	..	..	..	..	..	..	..	..
Municipalities	..	4	..	..	..	..	..	..	..	..	4
Others	8	2	..	5	72	75	..	3	1	1	167
Miscellaneous	8	9	6	16	103	78	..	3	1	7	231
GRAND TOTAL	921	387	214	503	863	2617	62	158	53	267	6045

% Excluding Rs. 4·04 lakhs for two Tribal Blocks under Centrally sponsored schemes.
N. Negligible.

APPENDIX IV

Annual Plan, 1966-67

Statement showing Selected Targets of Production and Development

Item	Unit	1965-66 Likely achievement	1966-67 Targets
1	2	3	4
Agriculture—			
Foodgrains	million tonnes	76—77	97·00
Cotton	lakh bales of 180 kgs. each.	52	63·00
Sugarcane (gur)	million tonnes	12·0	12·69
Oilseeds	million tonnes	7·0	9·89
Jute	lakh bales of 180 kgs. each	50	69·2
Nitrogenous fertilisers consumed	' 000 tonnes of N	600	1000 (Est.)
Phosphatic fertilisers consumed	' 000 tonnes of P_2O_5	200	370 (Est.)
Potassic fertilisers consumed	' 000 tonnes of K_2O	150	200 (Est.)
Irrigation (addl. utilisation)			
(*a*) Major	million acres	5·7 (61—66)	2·4
(*b*) Minor	,,	13·1 (61—66)	3·4
Soil Conservation (Addl.)	,,	9·8 (61—66)	3·8
Dry farming (Addl. area benefited)	,,	16·9 (61—66)	5·6
Land Reclamation & Development (Addl. Area)	,,	4·2 (61—66)	1·1
Area under improved seeds—Foodgrains	,,	119·6	137·4
Urban Compost (Level reached)	million tonnes	3·5	4·2
Rural Compost Do.	,,	123·7	139·0
Green Manuring Do.	million acres	21·5	26·1
Plant Protection Do.	,,	41	63
Irrigation and Power—			
Electricity:			
(*a*) Installed capacity	m. kW. (addl.)	2	3
(*b*) Generated	m. kwh		
(*c*) Villages electrified (Addl.)	Nos.	8767	
Irrigation:			
(*a*) Potential at outlet (gross)	million acres	17·4 (cumulative)	3·1 (addl.)
(*b*) Utilisation (gross)	,,	13·7 (cumulative)	2·4 (addl.)
Minerals—			
Iron ore	million tonnes	17	20
Coal	million tonnes	68	72—74
Petroleum refining capacity	million tonnes	10·5	16·0
Lignite	,,	2·6	4·0

APPENDIX IV—*contd.*

Item	Unit	1965-66		1966-67	
		Cap.	Prod.	Cap.	Prod.
Industry—					
Steel Ingots	M. tonnes	7·5	6·6	8·9	7·0
Aluminium	000 tonnes	73	70	113	100
Metallurigical and other equipment.	,,	30	12	30	15
Coal and other mining machinery.	,,	45	12	45	15
Agricultural tractors	000 Nos.	15	5	15	8
Machine tools	Rs. millions	300	300	350	350
Generators-Thermal	000 kw	600	neg.	600	200
Generators-Hydro	000 kw.	500	neg.	500	200
Turbines-Steam	,,	600	neg.	600	200
Turbines—Hydro	,,	500	neg.	500	200
***Fertilisers*:**					
(*i*) Nitrogenous (in terms of N)	000 tonnes	586·5	300	666·5	400
(*ii*) Phosphatic (in terms of P_2O_5)	,,	270	200	400	265
***Heavy Chemicals*:**					
Sulphuric Acid	,,	1400	800	1400	1000
Caustic Soda	,,	330	250	400	300
Soda Ash	,,	400	320	430	360
Paper and Paperboard	000 tonnes	660	520	700	580
Cement	Mill tonnes	12·6	11·0	14·8	12·5

Item (1)	Unit (2)	1965-66 Likely achievement (3)	1966-67 Target (4)
Village and Small Industries—			
Production of :			
(*i*) Handloom, Powerloom and Khadi cloth	m. metres	3300	3500
(*ii*) Raw Silk	lakh kgs.	21·0	23·0
Exports of :			
(*i*) Handicrafts	Rs. crores	27·0	28·0
(*ii*) Handloom cloth	,,	12·0	13·5
(*iii*) Coir Products	,,	12·0	13·5
(*iv*) Silk Fabrics and Waste	,,	3·0	3·5

Appendix IV—*contd.*

Item	Unit	1965-66 Likely achievement	1966-67 Target
3. Industrial Estates (completed) . .	Nos.	300	350
Transport & Communications—			
Freight traffic originating . . .	million tonnes	204	216
Rolling Stock procurement :			
(a) Locomotives	Nos.	411	311
(b) Wagons in terms of 4-wheelers	Nos.	36000	28000
(c) Coaches	Nos.	1600	1200
Road Transport :			
Central Road Transport Corporation .	Fleet strength (Nos.)	181	206
Shipping-Tonnage	Lakh GRT	15·00	..
Communications :			
(a) Telephone connections (addl.) .	Lakhs	1·0	1·0
(b) Telegraph offices (addl.) . .	Nos.	400	400
(c) Public call offices (addl.) . .	Nos.	313	400
Education—			
Additional enrolment :			
(a) Primary stage 6-11 age group .	Lakhs	33	30
(b) Middle stage 11-14 age group .	Lakhs	11	10
(c) Secondary 14-17 age group .	Lakhs	5	3
(d) University 17-23 age group .	Lakhs	1·2	0·50
Technical Education			
Admission capacity :			
Diploma level	numbers	4000	1900
Degree level	numbers	4000	800
Health—			
Hospital beds (including beds for PHCS)	000 Nos.	240·0	255·0
Doctors	000 Nos.	86·4	86·7
Nurses	000 Nos.	45·0	55·0
Aux. Nurse Midwives and Midwives	000 Nos.	35·0	45·0
Dais/Nurse Dais	000 Nos.	30·0	90·0
Health Visitors	Nos.	3500	3900
Housing—			
Subsidised Industrial Housing .	No. of Houses (addl.)	13155	8980
Slum Clearance	”	27445	19420
Low Income Group Housing	”	6485	4400
Village Housing	”	8170	4100
Plantation Labour Housing . .	”	255	175
Middle Income Group Housing Schemes in Union Territories .	”	550	495

FINANCING OF THE PLAN

The estimates of financial resources for the Central and State Plans for 1966-67 are set forth in the Table below. Figures for the Centre represent Budget Estimates while those for the States represent estimates agreed to with the State Governments in the discussions held during November-December, 1965, after certain modifications in the light of the Centre's Budget Estimates for 1966-67.

Table I: Financing of Plan Outlay in 1966-67

(Rs. Crores)

	Centre	States	Total
I. *Domestic Budgetary Resources*			
1 Balance from current revenues, exclusive of additional taxation after April, 1965	147[*]	56[*]	203
2 Contribution of railways at 1965-66 rates of fares and freight charges	34	..	34
3 Surplus of other public enterprises at 1965-66 product prices	164	54	218
4 Additional taxation, including measures to increase the surpluses of public enterprises			
(a) By Centre (including railways)			
(*i*) Yield from measures announced in the supplementary budget for 1965-66	167	6	173
(*ii*) Yield from measures announced in the 1966-67 budgets	119	28[**]	147
(b) By States	..	102	102
5 Loans from public (net)	88	121	209
6 Small savings	40	95	135
7 Gold bonds, prize bonds and compulsory deposits	1	..	1
8 Annuity deposits (net)	35	..	35
9 Unfunded debt	59	29	88
10 Miscellaneous capital receipts (net)	200	—91	109
11 Further resources to be raised by States	..	34	34
12 *Total 1 to 11*	*1054*	*434*	*1488*
II. *Budgetary receipts corresponding to External assistance*	581	..	581
III. *Deficit financing*	25	—13[%]	12
IV. *Total I—III*	*1660*	*421*	*2081*
V. *Assistance for State Plans*	—509	509	..
VI. *Total Resources—Plan Outlay*	*1151*	*930*	*2081*

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[*] These estimates take into account additional devolution of funds from the Centre to the States as a result of the Fourth Finance Commission's award.

[**] On the basis of proposals indicated in the Central budget for 1966-67. The estimate is inclusive of an amount of Rs. 7·5 crores which is expected to accrue from increasing the rate of sales taxes on goods declared to be of special importance in inter-State trade or commerce as a result of the increase in the ceiling rate prescribed by the Centre from 2 per cent to 3 per cent with effect from July 1, 1966.

[%] Estimated repayments towards reducing overdrafts with the Reserve Bank.

It will be seen that the domestic budgetary resources are expected to provide about Rs. 1,488 crores. Budgetary resources corresponding to external assistance have been taken at Rs. 581 crores. The two together add up to Rs. 2,069 crores. Deficit financing is expected to make only a marginal contribution of Rs. 12 crores towards the financing of the Plan outlay in 1966-67, since, in view of the stresses and strains which have developed in the economy, there is urgent need for restricting the expansionary impact of the Government's budgetary operations. Brief comments on the contribution of different sources to the financing of the Plan outlay are given below.

Balance from current revenues

The balance for the Plan from the current revenues of the Central and State Governments, without taking into account the receipts from additional taxation, is estimated at about Rs. 203 crores for 1966-67. This is much lower than the comparable estimate of Rs. 446 crores* for 1965-66, mainly because of the provision made for the expenditure on the maintenance of the completed Third Plan schemes, which is treated as non-plan expenditure for the Fourth Plan period. This maintenance expenditure is estimated roughly at about Rs. 275 crores for 1966-67.

It may be noted that the estimate of Rs. 203 crores indicated above for 1966-67 takes into account the anticipated savings in non-plan expenditure as a result of the economy measures already adopted or proposed to be adopted by the Central and State Governments.

Contribution of railways

The contribution of railways towards the financing of their development programme in 1966-67 at the 1965-66 rates of fares and freight charges is estimated at about Rs. 34 crores as against the estimate of Rs. 72 crores for the current year. Although the gross receipts of railways are expected to rise by about Rs. 35 crores in 1966-67, the bulk of this rise is likely to be absorbed by increases in working expenses, due partly to the anticipated increase in the volume of traffic and partly because of the rise in the prices of coal and other materials as well as the additional cost on account of the increase in dearness allowances announced for Government employees during 1965-66. Dividend payments to the Central Government are also expected to increase by about Rs. 17 crores in 1966-67, partly because of the liability for payments on additional capital and partly because of the increase in the rates of dividend recommended by the Railway Convention Committee. Besides, the replacement expenditure for 1966-67 has been taken at about Rs. 100 crores as against Rs. 72 crores for 1965-66.

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* Exclusive of the yield from (a) the measures announced in the Centre's supplementary budget for 1965-66 as well as the measures announced in the Central budget for 1966-67 and (b) the measures announced by State Governments subsequent to the discussions held with Planning Commission in June-July, 1965, since the yield from all these measures in 1966-67 is not included in the estimate of Rs. 203 crores indicated for that year.

Surplus of other public enterprises

The surplus of other public enterprises, comprising mainly net accretions to depreciation funds and retained earnings, has been growing steadily in recent years and is estimated at about Rs. 218 crores for 1966-67. Of this, Rs. 54 crores represents the estimated surplus of State Electricity Boards and other enterprises of State Governments.

Additional resource mobilisation

Additional resource mobilisation by the Centre and States through changes in taxation and pricing policies of public enterprises, inclusive of the yield from the measures announced in the Centre's supplementary budget for 1965-66 as well as from those adopted by State Governments since the discussions held with Planning Commission during June-July 1965, is expected to contribute about Rs. 422 crores towards the financing of the Plan outlay in 1966-67. The details of additional resource mobilisation by the Centre are given below:

Table 2: Additional Resource Mobilisation by the Centre

(Rs. crores)

	Estimated yield in 1966-67
A. Measures announced in the supplementary budget for 1965-66	
1. Customs Duties	130·9
2. Union Excise Duties	42·2
TOTAL	173·1
B. Measures announced in the Central budget for 1966-67	
1. Customs Duties	0·5
2. Union Excise Duties	52·3
3. Corporation Tax	36·1
4. Income Tax	24·5
5. Estate Duty	0·7
6. Expenditure Tax and Gifts Tax	(—) 2·3
TOTAL	111·8
C. Increase in freight rates announced in the railway budget for 1966-67	18·1
GRAND TOTAL	303·0

In addition, the Centre has announced two measures for raising resources for the benefit of the States. These include (a) an increase in the rate of Central sales tax leviable on inter-State sales from 2 per cent to 3 per cent with effect from July 1, 1966 and (b) an increase in the ceiling prescribed in respect of sales tax on goods declared to be of special importance in inter-State trade or commerce from 2 per cent to 3 per cent with effect from July 1, 1966. The first measure is expected to yield an additional revenue of Rs. 9·5 crores in 1966-67 and of Rs. 19 crores in a full year to the States. Besides, it is expected to yield Rs. 0·5 crore in 1966-67 and Rs. 1 crore in a full year to Union Territories. The second measure would enable the States to refix the rates of their sales taxes on coal, cotton, cotton yarn, hides and skins, iron and steel, jute and oilseeds within the ceiling of 3 per cent. If all the States raise their sales tax rates on these commodities to the permissive level of 3 per cent from July 1966, they would be able to obtain an additional revenue of Rs. 7·5 crores in 1966-67 and of Rs. 15 crores in a full year. Thus, the total yield from the measures announced by the Centre, inclusive of the yield from the increase in inter-State sales tax as well as in the ceiling rate prescribed for goods of special importance in inter-State trade or commerce, would amount, on the assumption that State Governments would raise the rates of their sales taxes on goods of special importance in inter-State trade or commerce to the permissible ceiling level, to about Rs. 320 crores. Of this, about Rs. 286 crores would accrue to the Centre while the remaining amount of Rs. 34 crores would represent the States' share.

The target for additional resource mobilisation by the States (exclusive of the yield from the changes in inter-State sales tax and the sales taxes on goods of special importance in inter-State trade or commerce) has been fixed at about Rs. 102 crores. As against this target, the measures already adopted by State Governments before the presentation of the State budgets for 1966-67 are expected to yield about Rs. 58 crores in 1966-67. Besides, the measures announced by the Governments of Assam, Bihar, Jammu and Kashmir, Madhya Pradesh, Mysore, Orissa, Punjab and Rajasthan in their budgets for 1966-67 are expected to yield about Rs. 17 crores in 1966-67. The total additional resource mobilisation by State Governments for the

State Plans for 1966-67 through measures already adopted or announced thus works out to about Rs. 75 crores, as shown below:

Table 3: Additional Resource Mobilisation by States for the State Plans for 1966-67 through measures already adopted or announced

	(Rs. crores)
I. *Rural Taxation*	*13·7*
(a) Surcharge on land revenue	8·6
(b) Surcharge on commercial crops	0·8
(c) Irrigation rates	4·3
II. *Electricity Rates*	*9·5*
(a) Electricity duty	6·0
(b) Electricity tariffs	3·5
III. *Other taxes and duties*	*51·7*
(a) General sales tax	25·0
(b) Sales tax on motor spirit	4·5
(c) Tax on motor vehicles	3·3
(d) Tax on passengers and goods	3·4
(e) Urban immovable property tax	1·0
(f) Excise duties	4·5
(g) Others	10·0
TOTAL	74·9

It may be noted that apart from the additional resource mobilisation indicated above, the West Bengal Government has announced in the State budget for 1966-67 that it intends to bring forward later measures for raising an additional amount of Rs. 6·4 crores in 1966-67. Inclusive of this amount, the total additional resource mobilisation by State Governments for 1966-67 through measures already adopted or announced would work out at about Rs. 81 crores.*

Loans from public, small savings, Annuity Deposits, unfunded debt, etc.

The outlook for market borrowings next year is rather uncertain at this stage. Net market borrowings by State Governments and their enterprises in 1966-67 have, however, been tentatively taken at Rs. 121 crores, or about the same as in the current year. Net market borrowing by the Centre is, on the other hand, expected to be substantially smaller than in the current year, mainly because repayments of Central loans next year are expected to be higher than in the current year by about Rs. 37 crores. Thus, the total net receipts from market borrowings of the Central and State Governments in 1966-67 have been taken at about Rs. 209 crores as against the estimate of Rs. 246 crores for the current year.

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* Besides, the Jammu and Kashmir Government has stated in its budget for 1966-67 that in addition to the fresh taxation of Rs. 28 lakhs already announced for 1966-67, the State Government proposes to adopt further measures for raising another Rs. 58 lakhs when conditions in the State "return to normal".

Receipts from small savings in 1966-67 are estimated at Rs. 135 crores, or at about the same level as in the current year. Receipts from small savings in the current year have, however, been somewhat inflated because the system of furnishing bank guarantees by intending purchasers of motor vehicles was replaced by security deposit accounts in post offices and the change was made applicable to all applicants, including those who had already registered their applications with dealers. Even allowing for trend increases, therefore, the estimate of normal receipts from small savings for the next year has been kept at about the same level as for the current year. Net receipts from gold bonds in 1966-67 are estimated at about Rs. 4 crores. On the other hand, prize bonds and compulsory deposits are expected to involve a repayment of about Rs. 3 crores next year.

Receipts from Annuity Deposits in 1966-67 have been taken, after allowing for the anticipated reduction in the yield on account of the raising of the exemption limit for such deposits, at about Rs. 35 crores. Net receipts from unfunded debt at the Centre and in the States are expected to add up to about Rs. 88 crores.

Miscellaneous capital receipts

This item represents the net result of receipts and disbursements under a number of budget heads on capital account. The main sources of receipts include recoveries of loans and advances and transfers to sinking funds from current revenues. On the disbursements side, the item accommodates all non-plan outlays. The net receipts from this item in 1966-67 are estimated at about Rs. 109 crores as compared to Rs. 90 crores in the current year. The improvement of about Rs. 19 crores is attributable mainly to the determination of the Central and State Governments to refrain from taking up development schemes outside the Plan. In pursuance of this policy, outlays on certain development schemes, particularly on the development of road transport in certain States, which had hitherto been incurred outside the Plan, have been brought within the Plan from the next year.

Further resources to be raised by States

In addition to the contribution included under the various items discussed above, the State Governments are expected to provide an additional amount of about Rs. 34 crores from their own sources towards the financing of their plan outlays in 1966-67. This amount is to be provided mainly by increasing receipts from small savings, better collection of revenues and larger recoveries of loans and advances, greater economies in expenditure, withdrawal from reserves in States in which provision has been made for augmenting the reserves through an investment of a part or whole of the accruals to sinking funds, and, to the extent necessary, by further measures of additional resource mobilisation.

Budgetary resources corresponding to external assistance

Budgetary resources corresponding to external assistance are estimated for 1966-67 at about Rs. 581 crores. Of this, about Rs. 230 crores represents the accrual of budgetary resources from PL 480 imports while the remaining amount of Rs. 351 crores represents net receipts from other external assistance.

Deficit financing

According to the Central estimates on capital and revenue account, as presented to Parliament, the Centre is expected to have an over-all deficit of about Rs. 25 crores. The Governments of Madhya Pradesh, Mysore and Rajasthan are expected to achieve a total surplus of about Rs. 13 crores in order to reduce their outstanding overdrafts with the Reserve Bank.

AGRICULTURE

Highest priority given to Agriculture

In the 1966-67 Annual Plan, top priority has been given to agricultural production particularly to schemes which are quick-yielding in nature and help to augment production in the shortest possible time. In view of the importance attached to this sector and to ensure that adequate provisions are made, the Planning Commission indicated to each State Government the outlay it might provide for agricultural programmes during 1966-67. Detailed instructions were also given to State Governments in terms of programmes, crops and areas.

Outlay on Agriculture

An aggregate outlay of Rs. 332·55 crores has been proposed in the annual plan for 1966-67 for agriculture including Community Development and Cooperation, as against an anticipated expenditure of Rs. 312 crores in 1965-66. Taking the agricultural production programmes separately, which comprise mostly outlays on short-term and quick-yielding schemes, the outlay proposed is Rs. 268 crores in 1966-67, as against Rs. 231 crores in 1965-66. The proportion of total plan resources allocated to the agriculture sector (including Community Development & Cooperation) in 1966-67 will be significantly larger than in the preceding years. About 16 per cent of the total Plan outlay for 1966-67 has been earmarked for these heads of development as against 14 per cent in 1965-66 and an average of less than 13 per cent in the first four years of the Third Plan. It may also be stated that, whereas in the first year of each Five Year Plan, the outlay on agriculture has in the past been lower than in the last year of the preceding Plan, in 1966-67, the first year of the Fourth Plan, the proposed outlay for agriculture is higher than in 1965-66, the last year of the Third Plan.

A significant part of the revenue component of 1965-66 allocation would become committed and non-Plan expenditure during 1966-67. This is estimated at about Rs. 97 crores for the Centre and the States. There is, thus, considerable scope for undertaking increased activity for agricultural production from committed funds provided under non-Plan expenditure. Taking this factor into account and the step-up in outlay in 1966-67, the total available resources for 1966-67 should ensure maximum effort in agricultural production for 1967.

The development programmes for agriculture are shown partly in the Central Sector and partly in the States Sector. The outlays on the programmes of the Centre, States and Union Territories are as follows :

Outlays in Centre, States and Union Territories—1966-67

(Rs. crores)

	Centre	States	Union Territories	Total
1 Agricultural Production	15·05	66·99	3·01	85·05
2 Ayacut Development	1·20	4·01	..	5·21
3 Minor Irrigation	2·17	84·89	0·88	87·94
4 Soil Conservation	3·50	24·66	0·71	28·87
5 Animal Husbandry	1·57	13·65	1·11	16·33
6 Dairying & Milk Supply	0·43	8·78	0·26	9·47
7 Forests	3·12	12·04	1·45	16·61
8 Fisheries	2·68	8·25	0·65	11·58
9 Warehousing & Marketing	5·00	1·61	0·09	6·70
TOTAL	34·72	224·88	8·16	267·76

The New Agricultural Strategy

While formulating proposals for 1966-67, agricultural development has been visualised not as fragmentary and individual schemes but as a plan of coordinated and integrated programmes, each programme including a number of inter-connected schemes. This approach marks a certain departure in the strategy for agriculture. The new strategy for agriculture is also founded—and in fact constitutes the main feature of the new approach—on the premise that the problem of raising agricultural production is not so much the backwardness of the farmer as insufficiency of modern inputs like chemical fertilisers, irrigation, pesticides and new crop varieties of proved genetic capabilities.

Requirements of quick-yielding programmes of minor irrigation and soil conservation, as well as those which contribute to increased production, have been substantially provided for. In respect of other programmes, the allocation of provision has been largely determined having regard to the administrative frame-work, availability of requisite technical personnel and overall feasibility of undertaking these programmes.

Plan Targets

The programmes for 1966-67 have been so formulated as to provide a potential for the production of 97 million tonnes of foodgrains in 1966-67. The production targets for 1966-67 for foodgrains and selected commercial crops are as follows:

Crops	Unit	Targets for 1966-67
1 Foodgrains	Million tonnes	97·00
2 Oilseeds	Do.	9·89
3 Sugarcane (in terms of gur) . .	Do.	12·69
4 Cotton	Million bales of 180 kgs. each.	6·30
5 Jute	Do.	6·92

For achieving these targets, various measures have been envisaged, such as, a programme of high-yielding varieties of seeds of paddy, wheat, hybrid maize, jowar and bajra responsive to high fertiliser application. In addition to programmes of intensive application of inputs of fertiliser, improved seeds which have been evolved and demonstrated, pesticides, expanded programmes of minor irrigation, soil conservation, land reclamation, etc. are also being undertaken. The targets envisaged for 1966-67 together with the anticipated achievements at the end of the Third Plan in respect of important programmes are indicated in the table below :—

Programmes	Unit	Third Plan Target	Third Plan anticipated achievement	Targets for 1966-67
1 Minor Irrigation (Addl. area benefited).	Million acres	12·8	13·1	3·4
2 Soil conservation on agricultural lands (Addl. area benefited).	Do.	11·0	9·8	3·8
3 Dry farming (Addl. area benefited)	Do.	22·0	16·9	5·6
4 Land Reclamation and Development (Addl. area)	Million acres	3·6	4·2	1·1
5 Area under Improved Seeds of Foodgrains.	Do.	203	119·6	137·4
6 *Consumption of Chemical Fertilisers*				
(*a*) Nitrogenous (N) . .	Lakh tonnes	10·2	6·0	10·0@
(*b*) Phosphatic (P_2O_5) . .	'000 tonnes	406	200	370@
(*c*) Potassic (K_2O) . .	'000 tonnes	203	150	200@
7 Urban Compost* . . .	Million tonnes	5·1	3·5	4·2
8 Rural Compost* . . .	Million tonnes	152	128·7	130·0
9 Green Manuring* . . .	Million acres	41·0	21·5	26·1
10 Plant Protection* . . .	Do.	50	41	63

@Estimated requirements.

*Level reached.

Central Schemes

The programmes in the Central Sector include two types of schemes, viz. (i) Central schemes implemented by the Centre directly and shown in the Central Plan and (ii) Centrally sponsored schemes implemented by the States for which Centre's share of outlay is shown in the Central Plan and State's share in the State Plan. In the formulation of these schemes for implementation in 1966-67 and the succeeding years of the Fourth Five Year Plan, it has been specifically borne in mind that the Central Government is required to play a more dynamic role in the implementation of agricultural development programmes. Programmes of development, such as, research, education, seed distribution, fertiliser supplies, plant protection, horticulture, milk production, forestry, fisheries, subsidiary foods, warehousing etc. have been formulated with this as a guiding consideration. The scope and content of important schemes is given in the Annexure. This has been specially included as, in view of the vital importance of the Agricultural sector, the detailed schemes will be of interest to all concerned.

The more important of the co-operative programmes in 1966-67 in the central and centrally sponsored sector relate to the expansion of the scheme of consumers' co-operatives, strengthening of Agricultural Credit Stabilization Funds in State co-operative banks by Government assistance and setting up of large-sized processing units. The scheme for special assistance to the States in the eastern region will be continued and extended to Rajasthan also. With a view to more effective coordination of extension work relating to agricultural programmes, the Ministry of Community Development & Cooperation has been recently merged with the Ministry of Food and Agriculture. The programmes at the Centre in respect of Community Development consists principally of various Training, research and publicity schemes, particularly in relation to Panchayati Raj. The applied nutrition programme is also being implemented by the Department of Community Development.

The outlay in the Central Sector on agricultural production programmes has been stepped up from Rs. 21·19 crores in 1965-66 to Rs. 34·72 crores in 1966-67. In addition, Rs. 8·13 crores has been provided under co-operation and Rs. 69 lakhs under Community Development at the Centre for 1966-67. The outlays on the principal programmes are given in Appendix I.

State Programmes

In the States sector, an outlay of about Rs. 233 crores has been provided for agricultural programmes in 1966-67 as against an anticipated expenditure of Rs. 210 crores in 1965-66. Greater emphasis is to be laid on the use of local manurial resources in view of the short supply of chemical fertilizers. The new strategy of introduction of certain types of paddy, wheat, maize, jowar and bajra seeds has been accepted by all States. Plant protection squads are to be organised on a larger scale than hitherto and every attempt is to be made to step up indigenous production of pesticides so that foreign exchange requirements are minimized.

The programmes of minor irrigation and soil conservation will continue to receive special attention. The proper maintenance of completed works, strengthening of engineering cells in the State Agricultural Departments, formulation and execution of groundwater survey schemes and undertaking of closely integrated programme of boring of wells, construction of tubewells, distribution of pump-sets and extension of power-lines in selected compact blocks is being stressed. Adequate funds have been provided in the State Plans under the Irrigation and Power Sector for energising more than one lakh pumpsets and tubewells. The soil conservation programme will be taken up on watershed basis and will cover not only soil erosion but also other factors associated with proper soil and water management. In regard to both these programmes, priority will be given to those projects which are likely to yield quick results and have greater potential for production.

Under Animal Husbandry, the important programmes to be implemented in 1966-67 are: establishment of intensive cattle development blocks in the milk-shed areas of large dairy schemes and in the important cattle breeding tracts, development of feed and fodder resources and of poultry and sheep. Milk schemes already under implementation are to be completed expeditiously and the expansion of some of the existing ones are to be undertaken. Fisheries development envisages mechanisation of fishing crafts, improvement of landing and berthing facilities at different ports, setting up of ice and cold storage plants and intensification of pisciculture in reservoirs, lakes and ponds in high potential areas. For forestry development, priority is to be given to the plantations of quick-growing species, farm forestry and improvement of forest communications. Schemes for reorganisation of primary credit societies so as to have viable units, the gearing of the cooperative credit structure in general to effectively implement the crop loan system and to support agricultural production programmes are to receive close attention. The schematic pattern of assistance under the Community Development programme will be continued during 1966-67.

Appendix II gives the statewise outlays in 1966-67 on the principal development programmes.

A more detailed account of the Central and States' agricultural programmes is given in the Annexure.

APPENDIX I

Central Plan Schemes—Outlays for 1966-67

(Rs. crores)

S. No.	Schemes	Outlays
I.—*Department of Agriculture*		
1	Improved Seeds	2·01
2	Horticulture	0·16
3	Agricultural Research	1·10
4	Agricultural Education	2·90
5	Plant Protection	0·53
6	Fertilizers and Manures	0·55
7	Agricultural Marketing	0·06
8	Agricultural Research Statistics	0·04
9	Statistical Schemes	0·25
10	Agricultural Extension, Training	0·71
11	Land Development	0·87
12	State Farms	0·22
13	Agricultural Implements	..
14	Minor Irrigation	1·57
15	Area Programme (Ayacut Development)	1·20
16	Soil Conservation	3·25
17	Animal Husbandry	1·02
18	Dairying	0·43
19	Forestry	2·82
20	Agro-Industries Corporation	1·00
21	Subsidy on Electricity Rates for Agricultural purposes.	0·60
22	*Lump-sum Provisions* :	
	(*i*) New Farms & Ground Water Surveys	0·50
	(*ii*) New Research Schemes and Instts.	1·00
	(*iii*) Misc. A.H. Schemes & Instts.	0·55
	(*iv*) Forests & S.C. Schemes	0·55
	(*v*) Availability from commodity cess funds for development purposes	1·00
	(*vi*) Construction Works	0·20
		25·75

S. No.	Schemes	Outlays
II.—*Department of Food*		
	(*i*) Storage and Warehousing	5·00
	(*ii*) Fisheries	2·68
	(*iii*) Subsidiary food	1·23
	(*iv*) National Sugar Institute, Kanpur	0·06
		8·97
III.—*Department of Cooperation*		
	(*i*) Cooperative training and education	0·35
	(*ii*) Urban Consumer Cooperative stores and distribution of consumer articles in rural areas	1·75
	(*iii*) Cooperative processing (other than sugar factories)	0·45
	(*iv*) Cooperative farming	0·92
	(*v*) Agricultural Credit Stabilisation Fund	4·42
	(*vi*) Additional assistance to Eastern States and Rajasthan	0·25
		8·13
IV.—*Department of Community Development*		
	(*i*) Panchayati Raj Training Centres	0·25
	(*ii*) Applied Nutrition Programme	0·25
	(*iii*) Other schemes of research, training and publicity	0·19
		0·69

APPENDIX

Annual Plan

Statement showing distribu on e

Heads	Andhra Pradesh	Assam	Bihar	Gujarat	Jammu & Kashmir	Kerala	Madhya Pradesh
1	2	3	4	5	6	7	8
Agricultural Production .	3·96	2·49	6·20	3·20	1·27	4·73	5·90
Minor Irrigation . .	6·41	1·35	6·45	4·17	0·60	2·30	6·50
Soil Conservation .	0·81	0·10	0·42	2·71	0·28	0·38	1·98
Animal Husbandry .	0·54	0·36	1·12	0·99	0·40	0·49	1·30
Dairying & Milk Supply	0·76	0·13	0·44	1·01	0·18	0·20	0·32
Forests . . .	0·32	0·21	0·58	0·70	0·35	0·75	1·59
Fisheries . . .	0·50	0·11	0·45	0·77	0·06	1·39	0·30
Warehousing & Marketing	0·06	0·04	0·09	0·29	..	0·10	0·09
Area Programme for Irrigation Projects .	1·64	0·01	..	0·30	..	..	..
Agricultural Programmes	**15·00**	**4·80**	**15·75**	**14.14**	**3·14**	**10·34**	**17·98**
Cooperation . .	0·88	0·31	0·51	0·84	0·15	0·32	1·61
Community Development	2·00	1·56	3·00	1·81	0·68	1·41	2·25
Panchayats . . .	..	0·05	0·07	0·13	0·11	0·05	0.25
Community Development & Cooperation . .	**2·88**	**1·92**	**3·58**	**2·78**	**0·94**	**1·78**	**4·11**

II

1966-67

Outlay by Heads of Development—States.

(Rs. Crores)

Madras	Maha-rashtra	Mysore	Orissa	Punjab	Rajas-than	Uttar Pradesh	West Bengal	Naga-land	Total
9	10	11	12	13	14	15	16	17	18
3·88	7·00	3·24	4·02	4·37	2·73	7.72	6·00	0·28	66·99
7·64	8·50	6·20	2·80	3·25	21.30	4·00	4·00	0·07	84·89
1·10	9·93	1·00	0·47	1·60	0·58	2·56	0·65	0·99	24·66
1·24	1·58	0·60	1·03	0·80	0·58	1·60	0·90	0·12	13·65
0·72	2·14	0·48	0·12	0·50	0·08	1·00	0·70	..	·73
0·70	1·78	0·77	0·80	0·80	0·11	1·33	0·80	0·35	12·04
1·00	1·22	0·48	0·60	0·08	0·08	0·30	0·06	0·06	8·25
0·20	0·19	0·13	0·10	..	0·08	0·04	0·20	..	1·61
0·03	0·70	0·14	0·06	..	0·18	0·05	..	..	4·01
6·51	33·04	13·94	10·00	11·40	7·87	35·90	14·10	0·97	224·88
1·04	2·07	0·98	0·80	0·60	0·25	1·42	0·57	0·10	12·45
4.18	5·01	2·36	2·50	2·00	2·13	6·18	2·53	0·20	39·80
..	..	0·03	0·05	0·07	0·04	0·18	0·40	..	1·43
5·22	7·08	3·37	3·35	2·67	2·42	7·78	3·50	0·30	53·68

IRRIGATION

Priorities

In formulating the annual plan for 1966-67 special attention has been given to measures needed for speeding up utilization of irrigation potential created by projects already completed and those nearing completion. High priority has been given to the early completion of continuing schemes in advanced stage of construction. Projects on which comparatively small expenditure has been incurred so far have been reviewed and rephased with a view to make available additional resources in men, money and materials for priority schemes which would yield benefits soon.

Plan Outlay

The outlay approved for major and medium irrigation projects for 1966-67, including flood control is Rs. 124·35 crores, as against Rs. 169·44 crores in 1965-66. The outlay in 1966-67 is primarily on continuing projects and only a small sum has been provided for preliminary action on a few new schemes in the States.

The break up of outlay between Centre, States and Union Territories is given below:

(Rs. crores)

	1965-66 Anticipated Expenditure				1966-67 Proposed			
	Centre	States	Union Territory	Total	Centre	States	Union Territory	Total
1	2	3	4	5	6	7	8	9
Irrigation .	3·94*	146·93	0·15	151·02	1·31	112·1	0·3	113·71
Flood control & other allied schemes .	..	16·49	1·93	18·42	0·75	8·74	1·16	10·65

*Includes about Rs. 2 crores for Tenughat dam.

Appendix I and II give the State-wise break-up of the outlay in 1966-67 for schemes relating to irrigation, flood Control and anti-sea-erosion. The bulk of the outlay is at the States' level as in the past. The outlay provided for Central schemes (Ministry of Irrigation & Power) is Rs. 2·06 crores as against the anticipated outlay of Rs. 1·94 crores in 1965-66. These outlays are exclusive of Tenughat Dam (Ministry of Iron & Steel) and Farakka Barrage (Ministry of Transport). For the Tenughat

Dam an outlay of about Rs. 3 crores is being provided at the Centre for 1966-67 and has been included under Industry and Mineral Development. For Farakka Barrage Rs. 12·50 crores has likewise been provided at the Centre under Transport and Communications. The corresponding anticipated expenditure in 1965-66 for Tenughat Dam and Karakka Barrage are Rs. 2 crores and Rs. 14·5 crores respectively. The outlay for Rajasthan Canal for 1966-67 has not been included in the Rajasthan State Plan. An outlay of Rs. 5·5 crores has however been provided at the Centre for it. The amount has not been included under the development head irrigation and is provisionally included as a miscellaneous item.

Plan Targets

It is estimated that about 2·5 million acres of additional irrigation potential from major and medium irrigation projects would be created in 1966-67 and the additional utilisation would be about 2 million acres. The details of potential and utilization of irrigation are given in Appendix III. The production potential for foodgrains and the level of production for cash crops is being worked out on the basis of this additional utilisation.

A short description of the important irrigation projects included in the Annual Plan for 1966-67 is given in Appendix IV.

APPENDIX I

Anticipated outlay in the Third Plan for major and medium Irrigation schemes and Outlay for 1966-67

(Rs. crores)

S. No.	Name of State	Third Plan		Outlay for 1966-67
		Plan provision	Anticipated outlay	
1	2	3	4	5
1	Andhra Pradesh	74	91·5	13·1
2	Assam	2	1·0	1·0
3	Bihar	62	67·1	15·0
4	Gujarat	51	44·0	10·3
5	Jammu & Kashmir	6	1·5	0·3
6	Kerala	11	10·4	2·8
7	Madhya Pradesh	42	37·5	7·0
8	Madras	27	31·5	5·7
9	Maharashtra	66	64·3	16·3
10	Mysore	41	30·6	5·0
11	Orissa	21	25·3	6·9
12	Punjab	22	21·4	4·4
13	Rajasthan (excluding Rajasthan Canal) . .	47	42·9	6·45
	Rajasthan Canal	38	28·7	
14	Uttar Pradesh	52	56·6	14·5
15	West Bengal	19	16·4	3·3
	TOTAL STATES	581	570·7	112·05
	Union Territories	0·1	0·2	0·3
	Central Schemes	18	7·8	1·3
	GRAND TOTAL	599·1	578·7	113·65

Rajasthan Canal (outside the State Plan—tentatively).

APPENDIX II

Anticipated outlay in Third Plan for flood control, drainage, anti-water-logging and anti-sea-erosion scheme and Outlay for 1966-67.

(Rs. Crores)

Sl. No.	State	Third Plan		Outlay for 1966-67
		Plan provision	Anticipated outlay	
1	2	3	4	5
1	Andhra Pradesh	2·4	1·6	0·15
2	Assam	5·0	11·2	2·00
3	Bihar	9·0	12·7	
4	Gujarat	0·5	1·4	0·10
5	Jammu & Kashmir	9·0	5·5	1·30
6	Kerala	4·2	5·0	0·15
7	Madhya Pradesh	0·2	0·1	0·03
8	Madras	NIL	NIL	0·05
9	Maharashtra	0·3	0·1	0·02
10	Mysore	NIL	NIL	NIL
11	Orissa	2·5	3·0	0·50
12	Punjab	15·0	27·3	1·50
13	Rajasthan	0·9	3·6	0·73
14	Uttar Pradesh	5·8	7·4	1·00
15	West Bengal	5·2	4·1	0·50
	TOTAL—STATES	60·0	82·0	8·74
	Union Territories	1·3	3·6	1·16
	Central Schemes	NIL	NIL	0·75
	GRAND TOTAL	61·3	85·6	10·65

APPENDIX III

Anticipated irrigation potential from major and medium irrigation schemes and its utilisation at the end of Third Plan and targets for 1966-67.

('000 acres gross)

Sl. No.	State	To end of Third Plan (anticipated)		To end of 1966-67 (targets)		Additional in 1966-67 (targets)	
		Potential	Utilisation	Potential	Utilisation	Potential	Utilisation
1	2	3	4	5	6	7	8
1	Andhra Pradesh . .	999	825	1640	1165	641	340
2	Assam .	..	..	..	..	..	..
3	Bihar . .	1565	1115	2170	1560	605	445
4	Gujarat .	1134	378	1270	450	136	72
5	Jammu and Kashmir .	18	17	24	20	6	3
6	Kerala .	413	413	460	460	47	47
7	Madhya Pradesh . .	759	280	880	340	121	60
8	Madras .	745	681	765	695	20	14
9	Maharashtra	615	314	750	390	135	76
10	Mysore .	960	678	1060	765	100	87
11	Orissa	1294	1077	1580	1360	286	283
12	Punjab .	3794	3587	3794	3630	..	43
13	Rajasthan .	1149	943	1480	1250	331	307
14	Uttar Pradesh	2432	2005	2480	2120	48	11
15	West Bengal	1503	1360	1545	1460	42	100
	TOTAL—STATES	17380	13673	19898	15665	2518	1992

APPENDIX IV

Important irrigation projects included in the Annual Plan, 1966-67

(i) Nagarjunasagar (Andhra Pradesh)

The revised estimated cost of the Project is Rs. 150 crores and the ultimate irrigation potential from it 20·5 lakh acres. The outlay anticipated to be incurred to the end of the Third Plan is Rs. 104 crores. A potential of 5·8 lakh acres is expected to be created by June, 1966. The project is expected to be completed in the Fourth Plan.

(ii) Kosi (Bihar)

The revised estimated cost of the Project is Rs. 65·8 crores, of which Rs. 40 crores pertain to irrigation and Rs. 25·8 crores to flood control. The ultimate irrigation potential from it would be 14 lakh acres. The outlay anticipated to be incurred to the end of the Third Plan is Rs. 60 crores, of which Rs. 36 crores pertain to irrigation and Rs. 24 crores to flood control. An irrigation potential of 2·65 lakh acres is anticipated to be created by the end of the Third Plan, with a utilisation of 1·12 lakh acres. The project is expected to be completed in the early part of the Fourth Plan.

(iii) Gandak (Bihar and Uttar Pradesh)

This is a joint project of Bihar and Uttar Pradesh, and Nepal would also derive benefits from it. The total estimated cost of the irrigation portion of the project is Rs. 85 crores of which Bihar's share is placed at Rs. 66 crores and of Uttar Pradesh Rs. 19 crores. The ultimate irrigation potential is 33·9 lakh acres comprising 26·5 lakh acres in Bihar. 6·0 lakh acres in Uttar Pradesh and 1·4 lakh acres in Nepal. The outlay anticipated to be incurred to the end of the Third Plan is about Rs. 25 crores of which Rs. 19 crores would be in Bihar and Rs. 6 crores in Uttar Pradesh. The project is expected to be completed to a large extent in the Fourth Plan.

(iv) Chambal including Ranapratapsagar (Madhya Pradesh and Rajasthan)

This is a joint project of Madhya Pradesh and Rajasthan. The total cost of the irrigation portion of the project is estimated at Rs. 75·4 crores of which Rs. 35·2 crores is the share of Rajasthan and Rs. 40·2 crores of Madhya Pradesh. The outlay anticipated to be incurred to the end of the Third Plan is about Rs. 59 crores, of which Rs. 37 crores would be in Madhya Pradesh and Rs. 22 crores in Rajasthan. The irrigation potential anticipated to be created by the end of the Third Plan is 6·2 lakh acres, with a utilisation of 2·2 lakh acres. The project is expected to be completed in the Fourth Plan.

(v) Parambikulam Alivar (Madras)

The revised cost of this Project is Rs. 48 crores of which Rs. 38 crores pertain to irrigation and Rs. 10 crores to power. The ultimate irrigation potential of the project is 2·4 lakh acres. Out of the estimated cost of Rs. 38 crores for irrigation, the outlay expected to be incurred by the end of the Third Plan is Rs. 30 crores, to provide a potential of 1 lakh acres, with a utilisation of 0·5 lakh acres. The project is expected to be completed in the Fourth Plan.

(vi) Tungabhadra (Andhra Pradesh and Mysore)

This is a joint project of Andhra Pradesh and Mysore costing Rs. 48 crores for the irrigation portion. The ultimate irrigation potential of this project is 8·2 lakh acres. The outlay anticipated to be incurred on it to the end of the Third Plan is Rs. 44 crores, to provide a potential of 7·6 lakh acres, with a utilisation of 5·7 lakh acres. The project is expected to be completed early in the Fourth Plan.

(vii) Mahanadi Delta (Orissa)

The estimated cost of the project is Rs. 34 crores and the ultimate irrigation potential from it 16 lakh acres. The outlay anticipated to be incurred on it to the end of the Third Plan is Rs. 20 crores. This is anticipated to give an aggregate potential of 6·4 lakh acres, with a utilisation of 5·22 lakh acres. The project is expected to be completed in the Fourth Plan.

(viii) Rajasthan Canal

The estimated cost of Stage I of the Project is Rs. 80 crores and the ultimate irrigation potential from it 13 lakh acres. The outlay anticipated to be incurred by the end of the Third Plan is Rs. 47 crores. The potential anticipated to be created by the end of the Third Plan is 2·7 lakh acres, with a utilisation of 0·7 lakh acres.

(ix) Kangsabati (West Bengal)

The estimated cost of the Project is Rs. 31 crores and the ultimate irrigation potential 9·5 lakh acres. The potential anticipated to be created by the end of the Third Plan is 1·2 lakh acres, with full utilisation.

POWER

Plan Outlay

An outlay of Rs. 340 crores has been provided for power programmes in 1966-67 as against the likely expenditure of Rs. 383 crores in 1965-66. Of the outlay of Rs. 340 crores, Rs. 52 crores are required for schemes to be executed by the Centre, Rs. 13 crores for the Union Territories and the balance of Rs. 275 crores for the States. In Appendix I State-wise outlay on power programmes in the Third Plan, anticipated outlay in 1965-66 and provision agreed/estimated for 1966-67 are indicated. The distribution of the provision of Rs. 340 crores in the public sector is as follows:

	Rs. crores
(*a*) Generation	216·0
(*b*) Transmission and distribution	80·0
(*c*) Rural Electrification	44·0
TOTAL	340·0

Plan Targets

The installed generating capacity in the country at the beginning of 1965-66 was 8·4 million kW. With the additional capacity expected to be commissioned in 1965-66 the aggregate installed capacity in the country will rise to a little over 10 million kW at the end of the Third Plan as against the target of 12·69 million kW. It is necessary to maintain the rate of progress attained in 1965-66 so that adequate margins are maintained in the installed capacity to meet anticipated demands. The additional installed capacity in 1966-67 is expected to be of the order of 2 million kW. The power position in the country is expected to be satisfactory during the year.

Priorities

In formulating the power programme for 1966-67, high priority has been accorded to completion of schemes which are in an advanced stage of construction, in order to secure early benefits from them. The policy of interconnecting power systems of neighbouring States and establishing of regional grids has been accepted by the National Development Council, with a view to their integrated operation. Wherever possible adequate funds for the construction of inter-State lines have been provided in the State Plans. Special emphasis has been laid on the stepping up of power supply for agricultural purposes. A larger outlay has been provided for rural electrification in 1966-67, than in the previous year, despite the size of the annual Plan being smaller than last year. State-wise break up of the outlay on rural electrification in the years 1965-66 and 1966-67 is given in Appendix II. The States have been asked to prepare the rural electrification programmes in such a manner as to cover an area of a group of villages having clusters of pumps. The States have also been advised to ensure adequate power supply to all the defence oriented and other important industries like fertiliser projects.

Rural Electrification

It is estimated that about 94,000 pumps and tubewells will be electrified in 1966-67, against 81,000 in 1965-66. In Appendix III villages and pumps to be energised by the end of the Third Plan and the pumps expected to be electrified in 1966-67 are indicated.

APPENDIX I

Outlay on Power Programme in the Third Plan and 1966-67

(Rs. crores)

	Original Third Plan Provision	Third Plan anticipated outlay	Anticipated outlay for 1965-66	Outlay tentatively agreed/ estimated for 1966-67
I.—*States—*				
1 Andhra Pradesh . . .	64·94	91·58	32·04	32·00
2 Assam	27·50	42·88	8·17	5·25
3 Bihar	70·62	87·63	26·13	22·75
4 Gujarat	46·48	64·20	9·22	9·15
5 Jammu & Kashmir . . .	9·97	12·04	4·76	4·01
6 Kerala	43·56	58·92	19·70	15·00
7 Madhya Pradesh . . .	76·00	89·70	21·83	13·50
8 Madras	100·19	118·78	25·43	23·70
9 Maharashtra	81·24	98·10	29·43	29·42
10 Mysore	69·67	69·62	15·46	14·21
11 Orissa	44·62	52·57	16·16	12·00
12 Punjab	67·64	78·48	22·36	25·50
13 Rajasthan	35·00	35·16	9·85	11·97
14 Uttar Pradesh . . .	108·36	147·78	62·05	46·17
15 West Bengal	56·44	76·57	14·93	10·32
16 Nagaland	0·30	1·08	0·80	0·55
Total for States . . .	902·53	1124·99	318·32	275·50

APPENDIX I—contd. (Rs. crores)

	Original Third Plan Provision	Third Plan anticipated Outlay	Anticipated Outlay for 1965-66	Outlay tentatively agreed/estimated for 1966-67
II. *Union Territories* :				
1 Delhi	19·90	26·11	10·50	9·00
2 Andaman & Nicobar	0·14	0·11	0·07	0·09
3 Dadra & Nagar Haveli	..	0·05	0·02	0·02
4 Goa, Daman & Diu	..	2·31	0·62	1·45
5 Himachal Pradesh	1·97	2·44	0·81	0·92
6 Laccadive & Minicoy	0.05	0·07	0·03	0·04
7 Manipur	1·07	0·52	0·22	0·22
8 N.E.F.A.	0·60	0·28	0·15	0·15
9 Pondicherry	0·69	0·65	0·20	0·20
10 Tripura	0·73	0·60	0·23	0·56
TOTAL FOR UNION TERRITORIES	25·15	33·14	12·85	12·65
Central Plan				
(*i*) Ministry of I. & P.	10·41	7·95	2·50	1·29
(*ii*) DVC	34·71	57·00	14·97	8·55
(*iii*) Badarpur	..	0·02	0·02	0·50
(*iv*) Neyvelli	15·00	18·28	9·94	6·31
(*v*) Atomic Power Station	51·00	36·18	24·35	35·57
Total for Central Plan	111·12	119·43	51·78	52·22
GRAND TOTAL	1038·80	1277·56	382·95	340·37

APPENDIX II

Outlay on Rural Electrification

(Rs. crores)

Serial No.	State	Anticipated outlay for 1965-66	Recommended outlay for 1966-67
1	Andhra Pradesh	1·75	3·00
2	Assam	0·10	0·90
3	Bihar	1·98	2·75
4	Gujarat	0·95	2·70
5	Jammu & Kashmir	0·49	0·59
6	Kerala	0·60	0·60
7	Madhya Pradesh	0·60	0·75
8	Madras	5·50	6·00
9	Maharashtra	6·00	7·50
10	Mysore	2·90	3·00
11	Orrisa	0·05	1·10
12	Punjab	3·98	3·00
13	Rajasthan	1·15	2·90
14	Uttar Pradesh	8·25	9·00
15	West Bengal	0·36	1·00
	TOTAL	35·11*	44·39

*This includes an outlay of about Rs. 8·80 crores expected to be incurred on schemes specifically approved for energisation of pumps/tube-wells.

APPENDIX III

Statement of Villages and pumps to be electrified by the end of the Third Plan

	No. of Villages electrified			No. of pumps to be electrified			Approximate No. of pumps and tube-wells expected to be electrified in 1966-67
	By March 31, 1965	During 1965-66 (proposed by State)	Total (anticipated by March 31, 1966)	By March 31, 1965	During 1965-66	Total by March 31, 1966	
Andhra Pradesh . .	4437	1000	5437	45083	15213	60296	10000
Assam . . .	64	260	324	160	20	180	270
Bihar . . .	3454	494	3948	6900	1200	8100	6000
Gujarat . . .	1390	353	1743	10152	1500	11652	5100
Jammu & Kashmir .	532	100	632	18	6	24	..
Kerala . . .	1717	110	1827	3840	100	3940	2000
Madhya Pradesh . .	920	162	1082	1569	1636	3205	2500
Madras . . .	8876	993	9869	224362	30000	254362	20000
Maharashtra . .	3028	1000	4028	25011	9989	35000	15000
Mysore . . .	3673	250	3923	34049	3753	37802	10000
Nagaland . . .	8	4	12	..	..	..	..
Orissa . . .	449	100	549	550	284	834	800
Punjab . . .	5150	300	5450	29684	10000	39684	6000
Rajasthan . . .	665	600	1265	3723	4560	8283	8000
Uttar Pradesh . .	9102	1671	10773	11875	1500	13375	7500
West Bengal . .	947	1078	2025	169	78	956	300
TOTAL STATES . .	44412	8475	52887	397145	80548	477693	93470
UNION TERRITORIES .	1604	292	1896	2900	658	3558	
GRAND TOTAL . .	46016	8767	54783	400045	81206	48125	

INDUSTRIES AND MINERALS

Plan Outlay

An outlay of Rs. 478 crores has been proposed for 1966-67 as against the anticipated expenditure of Rs. 455 crores in 1965-66. The principal programmes which fall in the Industries and Minerals sector are to be taken up largely at the Centre. Break-up of the outlay between Centre, States and Union Territories for 1965-66 and 1966-67 is as under:

(Rs. crores)

	1965-66	1966-67
Centre	423·00	449·08
States	31·99	27·97
Union Territories	0·44	0·68
TOTAL	455·43	477·73

Detailed list of schemes/projects to be taken up during 1966-67 alongwith their outlay by various Ministries/Departments is given in Appendix I.

The programme envisaged for 1966-67 takes into account the allocation of resources according to considerations of priority. Only projects and programmes which are related to essential needs of the economy have been provided for. Thus, for example, out of the allocation for th Central sector, about Rs. 350 crores represent investment in steel (Rs. 112 crores); heavy engineering and machine building industries (Rs. 98 crores), mineral development and non-ferrous metals (Rs. 54 crores), oil exploration and refineries (Rs. 72 crores) and fertilisers (Rs. 17 crores). A provision of Rs. 52 crores has also been made for assistance to International Financing Agencies (I.D.B.)

The provision in the State sector is essentially for expanding the activities of the Industrial Development Corporations and for providing infra structure facilities through the creation of industrial areas. In addition the State programmes provide for completion of schemes which are in an advanced stage of implementation and for expansion of capacity in certain priority sectors like cement, coke, electrical equipment, castings and chemicals. Provision has also been made in the State sector for expansion of cooperative industries.

The accent in 1966-67 is on the expeditious completion of projects which are well underway and on which substantial investments have already been made, so that the benefits from these schemes are available as quickly as possible. Accordingly the financial requirements for these projects have been fully provided for. New projects have been included only when they have been reckoned as being of high priority that is, if they help defence effort, further the drive for import substitution and expansion of exports through diversified and increased industrial production or provide inputs for agriculture. An important criterion in selecting new projects for inclusion has been the degree of preparedness so that undue time-lag in implementation may be avoided. Schemes whose foreign exchange requirements have already been arranged or are expected to be arranged soon have been included. Expansion of existing projects have been given priority over new projects where justified. Important new projects included in the Annual Plan for 1966-67 are Bokaro Steel Plant, Cochin and Madras fertilizer factories, and the Gujarat Petro-Chemical Complex.

Expansion of Capacity and Production in 1966-67

Major additions to capacity in 1966-67 are envisaged in respect of Steel, Aluminium, Fertilizers, Cement, Caustic Soda, paper and paper board, and machine tools. In a number of other industries, though no substantial increase in capacity is envisaged, the level of production in 1966-67 is expected to be substantially higher than in 1965-66. This is possible on account of greater emphasis being laid on the better utilisation of existing capacity. Some of the items falling under this category are :— Steel castings and forgings; jute, paper, sugar and cement machinery; agricultural tractors; diesel engines; ball and roller bearings; commercial vehicles; thermal and hydro-generators; steam and hydro-turbines; transformers (66 KV and above); and sulphuric acid.

A list of selected items with their capacity and production target for 1966-67 along with the position for 1965-66 is given in the Appendix II.

The major programmes envisaged in the public sector are briefly mentioned in the following paragraphs.

Iron and Steel

An outlay of Rs. 112 crores is envisaged on the programme for the iron and steel industry. The bulk of this outlay *i.e.* Rs. 82 crores will be for the completion of the expansion programmes of HSL, at Bhilai, Rourkela and Durgapur. The projects which were originally expected to be completed by 1965-66 would spillover and will be substantially completed in 1966-67. The expansion at Bhilai has already started yielding higher output and it is expected to achieve the expanded capacity shortly. Durgapur and Rourkela projects are also likely to yield higher outputs in 1966-67. Of the remaining amount, Rs. 27·5 crores is anticipated to be spent on the Bokaro steel project.

Heavy Engineering and Machine Building

The bulk of the provision for heavy engineering and machine building industries, amounting to about Rs. 91 crores, is for the completion of the principal machine building projects which are in an advanced stage of completion namely, Heavy Electrical Plants at Bhopal, Hardwar, Tiruchi, Hyderabad; projects of the Heavy Engineering Corporation at Ranchi and the Mining and Allied Machinery Project at Durgapur. The emphasis on the completion of these projects will essentially help to increase the output as rapidly as possible. The programme of Hindustan Machine Tools include some marginal expansions at Bangalore an expansions at Pinjore, Kerala and Hyderabad. The output of machine tools from the Hindustan Machine Tool Units is expected to register a substantial increase during 1966-67.

The Foundry Forge Project at Wardha will help to fill the gap for steel castings and forgings and will also produce the moulds for cast iron pipes which continue to be entirely imported.

In view of the emphasis placed on the setting up of the fertilizer projects and to help implementation of the refinery programme it has also been considered necessary to set up capacity to produce fertilizer and chemical equipment, including pressure vessels. Two projects have been taken up and due provision has been made to meet the initial expenditure. The provision against the agricultural tractor project is mainly for the preparation of a detailed project report after the receipt of which the economic viability of the project will have to be examined. It has been decided to take a majority share in the Thungabhadra Steel Products and develop it as a plant for the production of heavy structurals for which there is still a deficiency in capacity.

Petroleum Exploration and Refinery

An outlay of about Rs. 72 crores is envisaged for oil programme. Besides the continuance of the programmes of exploration by the Oil & Natural Gas Commission and Oil India Ltd., the Plan provides for the completion of the refineries at Koyali and Barauni, the construction of the new refinery at Madras and the Government Esso Lube Oil project at Bombay. Production of crude oil is expected to increase from about 3·5 m. tonnes in 1965-66 to about 6 m. tonnes in 1966-67. With the commencement of the Cochin refinery early in the year and the expansion of the capacity of Koyali and Barauni the oil refining capacity would increase from about 10·5 m. tonnes to about 16·0 tonnes in 1966-67.

Mineral Development and non-ferrous Metals

The Plan envisages an outlay of the order of Rs. 49 crores for the programmes relating to coal, iron ore, the Khetri Copper Project and the eyveli Lignite Corporation. The Plan outlay of the N.C.D.C. would, y and large, take care of the coking coal projects, particularly the deep nines that are being developed in the Central Jharia coalfield. The entral Ropeways project of the Coal Board would be completed during e year and this would help step up coking coal production from the rivate sector by providing sand for depillaring. Compared to an nticipated production of 68 m. tonnes during 1965-66, the output would crease to about 72-74 m. tonnes in 1966-67.

At the Neyveli complex, it is expected that the fertiliser plant and the venth unit of the power station will be commissioned during the year nd the briquetting and carbonisation plant will go into full production. ith the commissioning of all the lignite consuming units, output of gnite would be increased from about 2·6 m. tonnes in 1965-66 to about ·0 m. tonnes in 1966-67.

With the recent commissioning of the mechanical loading facilities at isakhapatnam, shipments of Kiriburu iron ore to Japan will begin from pril 1966 at the targeted level of 2 m. tonnes per annum. The ailadial iron ore project would also be completed during the year 1966-67 nd regular shipments are expected to commence from April 1967.

On the Mineral surveys side, besides the continuance of the programme f the Geological Survey and the Indian Bureau of Mines, an important ew project will be the aerial survey of certain zones to pin point the areas r detailed ground investigation for locating new deposits of base metals ke copper, lead and zinc.

In the field of non-ferrous metals the Plan makes provision primarily r the development of capacity for aluminium, coper and zinc. The vo major projects in the public sector for the production of aluminium re Korba and Koyna on which a substantial beginning is expected to be nade during 1966-67. The Khetri Copper project is envisaged to be rogressed expeditiously. The Zinc Project at Zawar has been acquired y the Government and it is intended to get this project into production s early as possible. A beginning is also expected to be made on the zinc nelter at Vizag based on imported concentrates.

ertilisers

The programme in the public sector for fertilisers include the projects urrently under construction *viz.* Namrup, Gorakhpur and Durgapur and e taking up of new projects at Cochin and Madras. Expansion of the rombay Fertiliser Project and of FACT Alwaye is also contemplated. he plan allocation further provides for the rationalisation of production t Sindri by increasing the supply of gas through the establishment of a

Naphtha cracker. Provision is also made for the establishment of a mine and the setting up of a sulphuric acid factory based on pyrites at Amjore.

Other Programmes

Among the other programmes included in the Plan mention may be made of the progress of construction of instruments factories at Kotah and Kerala, the Raw Film Project at Ooty, the expansion of National Instruments Limited and of Hindustan Cables. These are expected to make considerable headway during the year. The expansion of NEPA Mills envisaged to raise the output of newsprint from 30,000 to 75.000 tonnes is also included in the Plan. Provision has been made for taking up the construction of cement factories by the Cement Corporation.

The Surgical Instruments Factory of I.D.P.L. has already gone into production; the Synthetic Drug Project and the Antibiotics Project are expected to commence commercial production during the next year. Substantial advancement is expected on the project of Hindustan Organic Chemicals. A beginning is also expected to be made on the Gujarat Petro-chemical Complex.

The plan also makes a provision of Rs. 52 crores for assistance to the Industrial Development Bank to augment its resources to extend financial assistance to suitable private projects.

APPENDIX I

Name of the Scheme	Plan Outlay 1966-67
	(Rs. crores)
MINISTRY OF INDUSTRY	
HEL Bhopal	16·09
Bharat Heavy Electricals (Hardwar, Tiruchi, Hyderabad)	32·00
Heavy Engineering Corporation (Heavy Machine Building, Foundry, Forge and Heavy Machine Tools)	37·11
Mining and Allied Machinery Corporation	4·40
Hindustan Machine Tools (Bangalore, Pinjore, Kerala, Hyderabad and Watch Project)	4·00
Pumps and Compressors Projects	0·50
Triveni Structurals Ltd.	1·00
Foundry Forge Project, Wardha	0·84
Fabrication shop for fertiliser and chemical equipment	0·01
Heavy Plate and Vessels Project	0·64
Machine Tools Projects (2-Czeck)	1·20
Agricultural Tractors Project	0·25
Tungabhadra Steel Products	0·51
Instrumentation Ltd. (Kotah and Kerala)	1·80
National Instrument Ltd. (including Ophthalmic Glass Project)	1·00
Raw Film Project	1·15
Expansion of Nepa Mills	1·26
Expansion of Hindustan Cables	0·50
Electronics	0·20
Paper Corporation	0·20
Cement Corporation	3·50
Indian Standards Institution	0·40
National Productivity Council	0·25
N.I.D.C.	0·80
TOTAL	109·61

APPENDIX I—*contd.*

	Plan Outlay 1966-67 (Rs. crores)
Department of Petroleum	
1. Oil Exploration:	
Oil & Natural Gas Commission	33·06
2. Indian Oil Corporation (a) Refineries Division (b) Marketing Division	26·68
3. Cochin Refinery	3·00
4. Madras Refinery	6·50
5. Govt. Esso Lube oil project	3·02
6. Lubrizol India Ltd.	0·10
TOTAL	72·36
MINISTRY OF MINES AND METALS	
I. Coal:	
(a) National Coal Development Corporation	23·00
(b) Singareni Collieries	..
(c) Central Ropeways (Coal Board)	2·50
II. Nyeveli Lignite Corporation	9·50
III. National Mineral Development Corporation:	
(a) Kiriburu iron ore project (b) Bailadila iron ore project (c) Khetri copper project	..
IV. Orissa Mining Corporation (mining Daiteri iron ore) (Loan by Central Government)	0·81
V. Mineral Surveys:	
(a) Aerial survey for base metals	1·00
(b) Geological Survey of India	2·61
(c) Indian Bureau of Mines	0·37
VI. Metal projects:	
(a) Korba	0·67
(b) Koyna	0·90
(c) Metal Corporation	4·22
(d) Zinc Smelter, Vizag.	0·20
TOTAL	53·78

	Plan outlay 1966-67
DEPARTMENT OF CHEMICALS	
	(Rs. crores)
1. Indian Drugs and Pharmaceuticals Ltd. (Synthetic Drug Project, Antibiotics Plant and Surgical Instruments factory) .	8·00
2. Fertiliser Corporation of India (Namrup, Gorakhpur, Durgapur, Trombay expansion and rationalisation of production at Sindri)	9·98
3. Pyrites and Chemical Development Corpn.	1·50
4. Hindustan Insecticides Ltd.	0·40
5. Hindustan Organic Chemicals	3·00
6. Fertilisers and Chemicals (Travancore) Limited (Alwaye and Cochin Expansion)	1·50
7. Madras Fertiliser Project	4·52
8. Gujarat Petro-chemical Complex	4·00
TOTAL	32·90
MINISTRY OF TRANSPORT	
Shipyard Schemes	
Subsidy required for ships produced at Hindustan Shipyard .	1·70
Development of Hindustan Shipyard Vizag.	0·50
Drydock scheme of HSL, Vizag.	0·50
Second Shipyard, Cochin	0·20
TOTAL	2·90
MINISTRY OF STEEL	
Hindustan Steel Ltd.	
(Bhilai, Durgapur, Rourkela etc.)	82·00
Bokaro Steel Plant	27·50
Mysore Iron and Steel Co.	2·50
Provision for technological improvements for improving blast furnace output at HSL plants	0·50
TOTAL	112·50

MINISTRY OF COMMERCE

PLAN OUTLAY 1966-67

	(Rs. crores)
Metric System	0·25
Loan to Plantation Industries	1·84
TOTAL	2·09

MINISTRY OF FINANCE

Alkaloid Factory	0·37
Security Paper Mill	1·78
Loan to I.D.B.	52.00
Kolar Gold Mines	0·32
Hutti Gold Mines	0·17
TOTAL	54·64

DEPARTMENT OF ATOMIC ENERGY

Department of Atomic Energy	8·30
GRAND TOTAL	449·08

APPENDIX II

Estimates of Capacity and production for selected industries during 1965-66 and 1966-67

Item	Unit	1965-66		1966-67	
		Cap.	Prod.	Cap.	Prod.
1	2	3	4	5	6
1 *Iron & Steel*					
(a) Steel ingots	M. tonnes	7·5	6.6	8·9	7·0
(b) Finished steel	„	5·6	5·0	6·7	5·2
(c) Pig iron for sale	„	1·2	1·2	1·5	1·3
2 Alloy Tool and Stainless Steel (finished)	000 tonnes	50	30	50	35
3 Aluminium	„	73	70	113	100
4 Steel Castings	„	170	60	170	80
5 Steel forgings	„	140	60	140	75
6 Metallurgical and other equipment	„	30	12	30	15
7 Coal and other mining machinery	„	45	12	45	15
8 Cotton Textile Machinery	Rs. mills.	400	280	400	350
9 Jute Machinery	„	50	35	50	45
10 Paper Machinery	„	73	20	73	35
11 Sugar Machinery	„	175	90	175	120
12 Cement Machinery	„	178	40	178	80
13 *Agricultural Machinery*					
(1) Agricultural tractors	000 Nos.	15	5	15	8
(2) Power driven pumps	„	180	160	200	180
(3) Diesel engines	„	150	80	150	100
14 Machine Tools	Rs. mills.	300	300	350	350
15 Ball and Roller Bearings	Mill. Nos.	12	9	12	12
16 Bicycles	„	2·0	1·6	2·0	1·8
17 Sewing Machines	000 Nos.	500	450	650	600

	1	2	3	4	5	6
18	Typewriters	000 Nos.	75	60	100	90
19	Commercial Vehicles	,,	44	35	44	40
20	Generators-Thermal	000 Kw	600	neg.	600	200
21	Generators-Hydro	,,	500	neg.	500	200
22	Turbines-Steam	,,	600	neg.	600	200
23	Turbines-Hydro	,,	500	neg.	500	200
24	Transformers-66 Kv and above	000 Kva	4000	1000	4000	2000
25	Transformers-33 Kv and below	,,	3000	3500	4000	4000
26	*Fertilisers*					
	(i) Nitrogenous (in terms of N)	000 tonnes	586·5	250	666·5	400
	(ii) Phosphatic (in terms of P_2O_5)	,,	230	130	400	200
27	*Heavy Chemicals*					
	Sulphuric Acid	,,	1400	800	1400	1000
	Caustic Soda	,,	330	250	400	300
	Soda Ash	,,	400	320	430	350
28	Dyestuffs	000 tonnes	12	10	12	10·5
29	Automobiles tyres	Mill. Nos.	3·3	2·5	3·3	2·8
30	Paper and Paperboard	000 tonnes	660	520	700	580
31	Newsprint	,,	30	30	30	30
32	Cement	Mill tonnes	12·6	11·0	14·8	12·5
33	*Cotton Textiles*					
	(i) Yarn	Mill lbs.	16·5*	2100	16·9*	2200
	(ii) Cloth (Mill made)	Mill yds.	2·155*	5150	2·15**	5250
34	Jute	000 tonnes	1219	1320	1219	1350
35	Woollen Cloth	Mill. Yds.	48·0	15·0	48·0	15·0
36	Sugar	Mill. tonnes	3·25	3·3	3·3	3·4

*Million spindles.

**Lakh looms.

VILLAGE AND SMALL INDUSTRIES

The programmes for the development of different village and small industries consist mostly of schemes for providing financial, technical and other assistance.

For 1966-67, the outlay provided for the development of small industries is indicated below along with the estimated expenditure during the preceding year :

(Rs. crores)

	1965-66 Estimated expenditure			1966-67 Proposed outlay		
	Centre	State and Union Territories	Total	Centre	State and Union Territories	Total
1	2	3	4	5	6	7
Handloom industry.	0·46	4·38	4·84	0·32	4·21	4·53
Powerlooms . .	0·12	..	0·59	0·46	..	0·46
Khadi & Village industries	19·21	0·68	19·89	17·80	0.37	18·18
Sericulture . .	0·24	1.28	1·52	0·27	1·06	1·33
Coir Industry .	0·14	0·47	0·61	0·14	0·21	0·35
Handicrafts . .	0·82	0·83	1·65	0·92	0·90	1·82
Small Scale Industries . . .	4·98	12·20	17·18	4·35	9·60	13·95
Industrial estates .	..	5·39	5·39	..	3·18	3·18
Rural Industries Projects . . .	3·00	..	3·00	3·25	..	3·25
TOTAL . .	28·97	25·23*	54·20	27·52	19·53	47·05

*Excluding Rs. 0·19 crores for 1965-66 and Rs. 0·16 crores for 1966-67 for small industries in Uttrakhand area.

The outlay provided for 1966-67 being lower than the estimated expenditure in the preceding year, the programme will be confined mostly to the continuing schemes and higher priority will be accorded to the schemes for increasing the production of the items required mainly for defence, essential civilian consumption and exports.

In the light of the outlay provided for 1966-67 as also the progress of small industries during the last few years, the production and exports are expected to increase further during the next year; likely trends are indicated in Appendix I.

Rural Industries Programme

The Rural Industries Projects Programme was initiated in 1962-63 and aims at intensive development of small industries in selected rural areas. The formulation and implementation of the programme is the responsibility of the State Governments. The programme was initially taken up in 45 project areas and intended to provide experience under different conditions, for the solution of unemployment and under-employment in rural areas by creating gainful employment opportunities in non-agricultural sector. Four additional areas, near large-scale industrial projects at Ranchi, Bhilai, Durgapur and Bhadravati, were included in 1965-66. The formulation of the programme in the project areas was preceded by quick preliminary surveys of the project areas to assess the possibilities and potentials of development.

A provision of Rs. 3·25 crores has been made in the Central Budget for 1966-67 for assistance to States for different schemes under the programme as against Rs. 3·00 crores in 1965-66. The programme consists of continuing schemes from the Third Plan period, except that emphasis, will be on larger investment on the establishment of more industrial units. During the Third Plan period the accent was on promotional activities, including organisation of training facilities, common services, etc.

APPENDIX I

Small Scale Industries—Targets and Achievements

Item	1960-61	1965-66	1966-67
	(Actuals)	(Anticipated)	
(1) *Production of*			
Handloom, powerloom and khadi cloth (m. metres)	2,065	3,300	3,500
Raw silk (lakh Kgs.)	15·0	21·0	23·0
(2) *Exports of*			
Handicrafts (Rs. crores)	9·7	27·0	28·0
Handloom cloth (Rs. crores)	5·0	12·0	13·5
Coir products (Rs. crores)	8·7	12·0	13·5
Silk fabrics and waste (Rs. crores)	1·4	3·0	3·3
(3) *Industrial estates*			
Number completed	66	300	350

TRANSPORT AND COMMUNICATIONS

Plan Outlay

The programmes for transport and communications in 1966-67 provide largely for the schemes which are already under execution. Only those new schemes have been included which are either connected with the needs of defence or are otherwise considered to be essential. Development programmes for railways, roads and civil air transport provide almost entirely for schemes in hand while those for ports, tourism and communications include certain new schemes of an essential character. The total provision for transport and communications in 1966-67 comes to Rs. 416 crores which includes Rs. 339 crores for Central programmes and Rs. 77 crores for programmes of State Governments.

Outlay for 1966-67

(Rs. crores)

	1965-66			1966-67		
	Total	Centre	States & Union Territories	Total	Centre	States & Union Territories
Railways . .	282·49	282·49	..	225·00	225·00	..
Roads . . .	112·67 (+5·0)[1]	48·00 (+5·0)[2]	64·67	92·21 (+12·50)[1]	35·00 (+12·50)[1]	57·21
Road transport .	8·91[2]	..	8·91[2]	16·05	0·15	15·90
Ports . .	13·23	12·06	1·17	14·95	13·67	1·28
Farakka barrage .	14·24	14·24	..	12·50	12·50	..
Shipping . .	9·44	9·06	0·38	0·30	..	0·30
Inland water transport	0·80	0·60	0·12	2·25	1·95	0·30
Lighthouses . .	0·60	0·60	..	0·44	0·44	..
Tourism . .	2·51	1·36	1·15	1·94	0·65	1·29
Civil air transport .	13·09	12·84	0·25	19·56[3]	19·30[3]	0·26
Posts and telegraphs	27·85	27·85	..	26·30	26·30	..
Other communications	2·72	2·72	..	2·53	2·53	..
Broadcasting	1·77	1·77	..	1·90	1.90	..
TOTAL .	490·32 (+5·0)	413·67 (+5·0)	76·65	415·93 (+12·50)	339·39 (+12·50)	76·54

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1. For strategic roads.
2. Figures for 1965-66 do not include expenditure incurred by State Governments outside the Plan on Programmes of undertakings managed departmentally.
3. Includes expenditure to be met by the Air Corporations from their own resources.

Railways

The originating traffic on the railways in 1965-66 is estimated at 204 million tonnes. Having regard to past trends and also projected increases in industrial production, the estimate of traffic for 1966-67 is put at about 216 million tonnes. The railways will have a measure of spare capacity particularly in respect of wagons stock at the beginning of the Fourth Plan. Programmes for 1966-67 have been considered against a longer-term perspective and keeping in view the demand of traffic in peak seasons.

As against the estimated expenditure of about Rs. 355 crores for railways development programme in 1965-66, the provision made for 1966-67 is Rs. 325 crores. This includes expenditure to be met by the Railways from their Depreciation Reserve Fund, which is estimated at Rs. 100 crores for 1966-67 as against Rs. 72·30 crores for 1965-66. A broad break-up of the provision between rolling stock and works programme is as under:

(Rs. crores)

	1965-66	1966-67	Outlay envisaged for the fourth plan
rolling stock	126·25	117·52	746·00
works programmes	228·55	207·48	1224·00
TOTAL	354·80	325·00	1970·00

Under the programme for rolling stock, the following targets are proposed for 1966-67:

	Expected procurement in 1965-66	As proposed for 1966-67	Fourth plan target
		(numbers)	
1. Locomotives			
Steam	200	169	590
Diesel	97	70	974
Electric	114	72	668
2. Wagons (in terms of 4 wheelers)	36,000	28,000	160,690
3. Coaches	1,600	1,200	9,000

Works programme for 1966-67 provides largely for completion of the carry-over schemes from the Third Plan. Work is proposed to be accelerated on the construction of the broad gauge line from Jhund to Kandla. Track consolidation and other ancillary works on the Bailadila-Kotavallasa line would also be speeded up. The only new railways line project included in the programme for 1966-67 is the line from Pokaran to Jaisalmer. As regards programmes for electrification, railway sections totalling about 700 route kilometres are likely to be energised in 1966-67. Two new projects, namely, electrification of Rourkela-Durg and Kanpur-Tundla sections are being up in 1966-67.

Railways

The Central Road Programmes for 1966-67 provide for continuance of work on the Lateral Road from Bareilly to Amingoan and strategic roads in Gujarat and Rajasthan in addition to the works on the national highways carried forward from the Third Plan. Provision has also been made for the schemes financed from loans from IDA and the schemes taken up after the emergency in 1962 which are in an advanced stage of completion.

In the State sector, on account of limitation of resources, programmes for road development in 1966-67 will provide largely for completion of the schemes already in hand and for undertaking those new schemes which are considered essential either for providing links to industrial projects or on other considerations.

Road Transport

A provision of Rs. 15 lakhs has been included in the Central Plan for augmenting the fleet of the Central Road Transport Corporation. The Corporation is estimated to have 181 vehicles at the end of 1965-66 and proposes to acquire about 25 additional vehicles during 1966-67. The Corporation may have to provide specially for the requirements of the Assam region as part of coordinated operations with the Railways and the River Steam Navigation Company.

As regards expansion programme of road transport undertakings in the States, the State Governments will be proceeding slowly with them in 1966-67 and only those programmes will be taken up which are considered necessary for creating additional capacity to meet the essential requirements.

Ports

The traffic handled at the major ports has increased from 23·6 million tonnes in 1960-61 to 41·8 million tonnes (excluding Mormugac) and 48·4 million tonnes (including Mormugac) in 1964-65. For purpose of formulating programmes for 1966-67, the Port authorities considered the special requirements arising from the recent emergency. To the extent possible programmes provide for strengthening of essential equipment at each important port for handling of foodgrains, oil products, important export commodities and other commodities of strategic importance.

In addition to the provision of Rs. 13·7 crores in the Plan, about Rs. 17 crores is expected to be available from the internal resources of the ports including Rs. 5 crores from the existing World Bank loans to ports of Calcutta and Madras.

Shipping

Thanks to the availability of credit on suitable terms, there has been a substantial addition to the shipping tonnage of the country during the Third Plan period. Against the target of a net addition of 1:8 lakh GRT in the Third Plan, the actual addition to shipping fleet is likely to be Rs. 6:7 lakhs GRT. The total tonnage is expected to increase from about 8:57 lakhs GRT at the end of the Second Plan to about 15 lakh GRT at the end of the Third Plan.

The programme for acquisition of ships in 1966-67 would largely depend on the availability of suitable credit terms. A sum of about Rs. 13·1 crores is likely to be available in the Shipping Development Fund during 1966-67, of which Rs· 6·7 crores is needed for the commitments already made in the Third Plan, and Rs. 6·4 crores will be available for financing new proposals during 1966-67. Fresh credits to the Fund would be considered later, depending upon the actual requirements.

Inland Water Transport

The programme for 1966-67 provides, among other schemes, for loan assistance to the River Steam Navigation Company and outlay needed for the development of a port at Jogigopa. Provision is also made for strengthening technical organisations at the Centre and in the States, particularly Assam and Kerala.

Tourism

The programme for development of tourism in 1966-67 provides for taking up essential schemes at Govindasagar, Gulmarg, Kovalam, Agra, and Bharatpur and for the essential programmes of the India Tourism Corporations and the India Tourism Hotel Corporation.

Civil Air Transport

The programme of the Indian Airlines Corporation includes purchase of one Caravelle, one Fokkar Friendship and five Avros during the year. Air India propose to purchase two Boeing aircraft in 1966-67. The outlays needed for Air India and Indian Airlines are estimated at Rs. 9·04 crores and 4·26 crores respectively and are proposed to be financed entirely from the internal resources of the Corporations.

The programme for civil aviation works provides largely for completion of the works already in hand, which relate to development of runways and construction of technical buildings, for meeting the increased operational requirements at international airports and other aerodromes in the country.

Communications

The broad targets provided for in the programme for 1966-67 are shown in the table below:

	anticipated achievement 1965-66	target for 1966-67
1. telephone connections	1·0 lakhs	1·0 lakhs
2. public call offices	313	400
3. telegraph offices	400	400
4. v.f.t. channels	1,200	1,200
5. telex lines	1,300	2,150
6. open wire cable carrier	11,500	15,000

The total provision made for the telecommunication programmes in 1966-67 is Rs. 31·25 crores against the estimated expenditure of Rs. 28·70 crores in 1965-66. This includes expenditure to be met by Posts and Telegraphs Department from their internal resources which is estimated at Rs. 4·95 crores for 1966-67 as against Rs. 5·85 crores for 1965-66.

Programme for the Overseas Communication Service includes provision for setting up of a satellite ground station and that for the Indian Telephone Industries provides for expansion of the existing capacity for manufacture of transmission equipment.

Broadcasting

Programme for development of broadcasting in 1966-67 provides *inter alia* for strengthening of existing stations and establishment of new stations for border coverage and provision of additional facilities at existing stations for internal services. For strengthening of external services, two additional 250 Kw.s.w. transmitters are being set up in Delhi. Provision has also been made for expansion of the community listening schemes. The programme has been formulated keeping in view the prospects of supply of equipment from indigenous sources and availability of foreign exchange.

EDUCATION

Plan Outlay

An outlay of Rs. 98·79 crores for Education has been proposed fo 1966-67 as against the anticipated expenditure of about Rs. 180 crores i 1965-66. The bulk of the outlay in 1966-67 is for continuing schemes an normal expansion. Modest provisions have been made for programme designed to effect improvement in quality and for preparatory work on ne programmes. It is intended to step up the programmes in the subseque years in order to achieve the objective targets of the Fourth Plan.

The break up of outlay by main heads of development is given in th following Table:—

(Rs. crores)

	1965-66				1966-67			
	Centre	States	Union Territories	Total	Centre	States	Union Territories	Tota
1	2	3	4	5	6	7	8	9
1 Elementary education .	1·15	55·42	4·28	60·35	0·44	16·60	1·60	18·
2 Secondary education .	3·07	25·61	4·70	33·38	2·58	9·07	1·37	13·
3 University education .	10·43	11·63	0·61	22·67	17·41	7·84	0·52	25·
4 Social education .	0·15	0·61	0·08	0·84	0·20	0·80	0·09	1·
5 Cultural Programmes .	0·47	0·83	0·08	1·38	0·48	0·65	0·12	1·
6 Other Programmes ,	11·68	9·89	0·63	22·20	3·37	4·05	1·99	9·
7 Total : General education	26·95	103·99	10·38	141·32	24·48	39·01	5·69	69·
8 Technical education .	21·34	16·35	1·12	38·81	14·67	13·79	0·74	29·
9 GRAND TOTAL	48·29	120·34	11·50	180·13	39·15	52·80	6·43	98·

Outlays on building construction will be kept to the minimum. Attem will be made to persuade voluntary organisations to raise funds for sch buildings which could be built with materials available locally.

Expansion of Education facilities

The achievement in the Third Plan and the targets of expansion in 1966-67 at various stages are given below:

Additional enrolment at various stages

(Figures in lakhs)

	Third Plan Targets	Third Plan achievements	1966-67 (Targets)
1	2	3	4
6—11 (lakhs)	153·0	165·0	30
11—14 (Lakhs)	34·6	43·0	10
14—17 (Lakhs)	16·5	23·0	3
17—23 (lakhs)	4·0	4·5	0·50
Degree courses (Nos.)	5,280	14,327	800
Diploma courses (Nos.)	11,820	24,770	1,900

It will be seen that the targets of expansion have been exceeded at all stages of education during the Third Plan. This is especially so under Technical education where facilities had to be expanded in 1962 in response to the Emergency. The larger targets under Technical education have, however, been achieved in spite of a shortfall in expenditure. This was done by straining the available resources in men and material. This has meant some lowering of the level of educational facilities provided and deterioration in standards.

The targets for 1966-67 provide mainly for the normal expansion of facilities at the various levels. Generally, the additional enrolment will be effected by the expansion of facilities at existing institutions instead of setting up new institutions.

Elementary Education

The bulk of the outlay in the State Plans would be utilised for the expansion of facilities. Small provisions have been proposed for training of teachers, improvement of science education, provision of mid-day meals and for the special programmes for girl's education. At the Centre, provision has been made for such programmes as correspondence courses for teachers, development of selected schools, State Institute of education and assistance to voluntary organisations. It is proposed to establish correspondence courses for teachers in the four States of Assam, Mysore, Rajasthan and U.P.

Secondary Education

At the secondary stage also the outlays provided in the State Plans are for meeting the normal expansion of facilities. Small amounts have been provided for training of teachers, vocational education, and special programmes for girls. More liberal provision has been made for science education. In the Central Plan, provision has been made for correspondence courses for secondary teachers, development of selected schools, strengthening of diversified courses, development of science education, improvement of libraries in secondary schools, State Institutes of Science Education, Institutes of English, Educational and Vocational Guidance and evaluation and examination reforms. Under the crash programme for science education, which was initiated in the Third Plan, assistance will continue to be given to State Governments for strengthening science laboratories. It is also proposed to expand the activities of the Directorate of Extension Programmes for Secondary Education, Department of Curriculum, Methods and Text-books and Regional Colleges of Education and Department of Science Education of the N.C.E.R. & T.

University Education

Under University Education, the States have provided for the expansion of facilities at various levels in arts and science courses, hostels, staff quarters, development of existing universities, etc. At the Centre, provision has been made for the University Grants Commission for giving grants to Universities for various development projects, setting up of the Jawaharlal Nehru and Nefa Universities, loans for the construction of hostels, special developmental grants to J. & K. University, Institutes of Rural Higher Education, the Institute of Russian Studies at Delhi and the Institute of Advanced Study at Simla.

Technical Education

In the State Plans the emphsis is on increasing the admission capacity of existing institutions, particularly in polytechnics and taking measures towards the completion of projects in hand. In the Central sector, work on the continuing programmes of development of the five Institutes of Technology will be carried further. Preliminary work in regard to the building programmes of the specialised Institutes of Management, the Industrial Engineering Institute, Bombay and the Institute of Foundry and Forge Technology, will be taken up during 1966-67. Provision has been made for the planning work of the Institute of Printing Technology at Kalyani. Provisions has also been made for the training of teachers, loans for the construction of students hostels, post-graduate courses and research, part-time courses, grants-in-aid to non-government engineering colleges, including the 14 regional colleges etc.

Social Education

The State Governments have provided for the continuation of pilot projects on adult literacy initiated in 1965-66 and for some ancillary programmes like production of literature and setting up of libraries. No massive programmes of adult literacy as visualised in the national Plan, is proposed to be started in 1966-67. At the Centre, provision has been made for the production of literature for neo-literates, training of librarians, assistance to voluntary organisations in the field of social education, further development of the Delhi Public Library and the development of Public Libraries in Madras and Bombay on the pattern of the Delhi Public Library.

Languages

For the development of languages at the Centre, there is provision for the appointment of Hindi teachers in non-Hindi speaking States, Hindi teachers' training colleges, Central Institute of Hindi at Agra, grants to voluntary Hindi organisations, translation of standard works at university level, preparation of popular books in collaboration with publishers, assistance to Sanskrit voluntary organisations, award of scholarships to students studying Sanskrit in High/Higher Secondary Schools and grants to voluntary organisations and State Governments for the development of modern Indian Languages. Hindi Teachers Training Colleges have so far been set up in 8 out of 11 non-Hindi speaking States. Some provision has been made in the Annual Plan for 1966-67 for the extension of this facility to other States.

Cultural Programmes

Various programmes of cultural development are to be taken up in 1966-67. The programmes of the Akademies include among others the preparation of bilingual dictionaries and the survey of folk music, folk dances and folk drama of India. The Indian Museum, Calcutta, the National Gallery of Modern Art, New Delhi, the Salarjang Museum, Hyderabad, and the National Museum, New Delhi will be further developed. Assistance will continue to be given to State and private museums on the recommendations of the Central Advisory Board of Museums. The work relating to the revision of Union and District Gazetteers will be continued. It is also proposed to further develop the National Library, Calcutta and the Central Reference Library. The publication programme of the National Book Trust will be expanded.

Other Porgrammes

The provision for scholarships at the Centre is for loan scholarships, national scholarships for the children of teachers under general education and merit-cum-means scholarships for technical education studies. Scholarships have also been proposed for studies in Hindi and Sanskrit.

A provision of Rs. 65 lakhs has been made for the National Institute of Sports, the National Coaching Scheme, grants to National Sports Federations, labour and social service Camps, campus works scouting and guiding, development of the College of Physical Education, Gwalior; grants-in-aid to private physical education institutions and the National Fitness Corps.

SCIENTIFIC RESEARCH

Plan Outlay

The plan outlay on scientific and technological research proposed for 1966-67 is Rs. 17·2 crores as compared to a likely expenditure of Rs. 25·58 crores in 1965-66. As schemes in this sector are *per se* of a continuing nature, a proper appreciation of the level of investment in scientific and technological research can be had only if the non-plan or committed expenditure is also taken into account. Thus, if the non-plan outlay of Rs. 24·33 crores for 1966-67 is added to the plan outlay of Rs. 17·82 crores on new schemes, the total outlay on scientific and industrial research in 1966-67 would amount to Rs. 42·15 crores as against the total outlay of Rs. 25·58 crores in 1965-66. The following table indicates the outlay, both plan and non-plan, for 1966-67 under the Department of Atomic Energy, Council of Scientific and Industrial Research, and Ministry of Education (Scientific Department):—

Outlay for 1966-67

(Rs. crores)

	Plan	Non-Plan	Total
1 Department of Atomic Energy	9·24	10·40	19·64
2 Council of Scientific and Industrial Research .	6·24	10·48	16·72 (in addition Rs. 10· lakhs will be as loan)
3 Ministry of Education (Scientific Deptt.) . . .	2·34	3·45	5·79
TOTAL . .	17·82	24·33	42·15

Department of Atomic Energy

The Programme of the Department is geared to the atomic power programme to which top priority has been accorded. The other part of the programme which is of national importance relates to the application of atomic energy for peaceful purposes, other than power production, namely research into and application of atomic energy in agriculture, industry, medicine etc. Some of the more important achievements are:

(i) The establishment produces about 250 different types of radioactive products including many special preparations which are readily available for users and is now in a position not only to meet fully the growing internal demand for the radioactive products which are being increasingly used in agriculture, biology, medicine, industry etc. but also to export them, thereby earning foreign exchange.

(ii) The Technical Physics Division is fabricating high vacuum equipment, one of the essential equipments for nuclear work. This Division is also undertaking large scale manufacture of plants for freeze drying of blood plasma.

(iii) The Electronic Production Division produces most of the electronics instruments needed for the A.E.E.T. and for other institutions employing radioactive isotopes and radiation sources.

The activities of these and other Divisions will be expanded both in scope and extent to meet the increasing needs of the country.

The Department of Atomic Energy will utilise the major part of the Capital outlay for 1966-67 for the completion of the following continuing schemes:—

(a) Construction of laboratories and other ancillary facilities like central workshop and stores;

(b) Food Irridiation facility;

(c) Township at Trombay etc., and

(d) Administrative building.

The tempo of research and development work will be stepped up in various fields and the following new projects will be taken up:

(a) Statistical survey of monazite areas of measurement of radioactivity;

(b) Production of Propellants for the Centaure Rockets;

(c) Establishment of a Space Science and Technology Centre.

A sizable expenditure is expected to be incurred on the setting up of a plant for the production of propellants for Centaure Rockets and the establishment of the space science and Technology Centre, as part of India's space research programme.

Council of Scientific and Industrial Research

Under the Council of Scientific and Industrial Research, projects oriented to defence, agriculture, and food production, import substitution and export promotion will receive high priority. At the same time, long range scientific research will continue to be pursued. In drawing up the programme for

1966-67, care has been taken to keep down the expenditure on construction works. The strength of the personnel is also to be kept to the minimum level.

Apart from consolidating the development of existing laboratories, the Council will also undertake the establishment of a National Institute of Oceanography.

Ministry of Education

The work of Survey of India is to be strengthened as the base maps are a pre-requisite for hydro-electric power, irrigation, flood control, mineral development projects. The following important modernization and training schemes are to be taken up during 1966-67:—

(i) Establishment of drawing office and circle offices and field parties for Hydel Schemes.

(ii) Setting up of Pilot production and training Centre for pre-investment surveying, mapping and training with the assistance of United Nations Special Fund.

(iii) Setting up of Indian Photo-interpretation Institute with the assistance of Netherland Government.

(iv) Raising a circle office with photogrammetric and printing facilities for carrying out surveys for preparing maps for the investigation of coal fields and other important minerals.

(v) Setting up of forest survey section for the project for pre-investment survey of forest resources undertaken by the Ministry of Food and Agriculture with the assistance of United Nations Special Fund.

The Zoological and Anthropological Survey and aided institutes are to concentrate in the consolidating the development schemes undertaken during the Third Plan with a view to maximizing the benefits from them.

HEALTH AND WATER SUPPLY

Plan Outlay

For 1966-67, an outlay of Rs. 80·40 crores has been provided for Health, Family Planning and Water supply schemes as against Rs. 94·7 crores in 1965-66. This is in addition to the committed expenditure on some of the continuing schemes which will be met out of the normal budgetary resources.

The distribution of outlay by main heads of development is given in the table below:

Outlays on Health and Family Planning 1965-66 *and* 1966-67

(Rs. crores)

	1965-66 (anticipated)				1966-67			
	States	Union territories	Centre	Total	States	Union territories	Centre	Total
1 Medical .	9·42	1·71	0·70	11·85	5·06	1·41	2·09	8·56
2 Control of communicable diseases .	16·72	1·04	0·60	18·36	13·54	1·19	0·52	15·25
3 Medical Education, Research and Training .	9·98	0·51	5·63	16·12	5·78	0·49	3·61	9·88
4 Family Planning .	1·63	0·04	6·40	8·07	2·21	0·17	13·00	15·38
5 Others .	2·83	0·35	0·44	3·62	2·26	0·40	0·51	3·17
Sub-Total	40·58	3·65	13·77	58·00	28·85	3·66	19·73	52·24
6 Water Supply	24·66	5·37	0·50	30·53	26·40	4·72	0·40	31·52
GRAND TOTAL	65·24	9·02	14·27	88·53	55·25	8·38	20·13	83·76

Priorities

The highest priority has been given to Family Planning. The allocation has been raised from about Rs. 8 crores in 1965-66 to over Rs. 15 crores in 1966-67. This will enable the Ministry of Health and Family Planning to launch a more intensive and sustained effort in this field. Important continuing programmes are malaria eradication, small-pox eradication and trachoma eradication. In dealing with diseases such as tuberculosis and leprosy increased emphasis will be laid on preventive public health control measures, in preference to provision of facilities for institutional care. For training programmes of medical and para-medical personnel, priority is being given to the expansion of existing institutions so as to admit a larger number of students. Extension of hospitals and dispensaries facilities in the border areas is to receive special attention. Water supply schemes in border and strategic areas and those located in metropolitan areas have been given priority. In rural water supply, cholera and filaria endemic areas have been given priority. The Local Development Works programme under Community Development also caters for rural water supply schemes. To reduce the foreign exchange cost, special effort is to be made for using indigenous components wherever possible. The programme for expansion of medical facilities and public health measures during the Fourth Plan period is being conceived within the frame-work of long-term targets and scale of facilities recommended by the Health Survey and Planning Committee.

Plan Targets

The tentative targets for 1966-67, together with the position at the end of the Third Plan period is given in Appendix I.

Medical Care

Although institutional facilities for medical care have considerably increased during the successive plan periods, these are well below the targets recommended by the Health Survey and Planning Committee. The Committee had recommended that by the end of the Fifth Plan the ratio of minimum of 1 bed per 1000 population should be reached. The position expected by the end of the Third Plan is an addition of about 55,000 beds to 1,85,000 available in 1960-61, which will give a ratio of 0·5 bed per 1000 population. Even though an addition of 60,000 beds is anticipated during the Fourth Plan, the bed population ratio may not change in view of the rise in population. The creation of more hospital facilities is, no doubt, needed but, in view of the non-availability of doctors and other medical personnel in adequate numbers it is important to develop existing hospital services particularly during the present emergency and to make them both efficient and economic. It is envisaged that in the light of stepped up programmes undertaken to increase the technical manpower during the Fourth Plan, it may be possible to provide the required number of beds in the Fifth Plan so as to achieve the target of one bed per 1000 population by the end of Fifth Plan as recommended by the Health Survey and Planning Committee. In 1966-67, the first year of the Fourth Plan, an addition of about 15,000 beds is expected. In providing these additional beds care will be taken to see that there is an even distribution of beds between the rural and urban areas.

The Primary Health Centres serve as the focal points and key institutions for providing comprehensive curative, preventive and other basic health services in the rural areas. By the end of the Third Plan, there would be about 5223 units in the country. These units will be further strengthened in respect of staff and equipment during the Fourth Plan. The main difficulty in this regard arises from the reluctance of doctors and other medical personnel to serve in the rural areas in the absence of appropriate incentives and facilities. It is now proposed to give additional allowances to medical personnel working in the rural areas. Besides, it is important that the primary health centres function with a full complement of staff to take care of the maintenance phase of malaria and smallpox eradication programmes and the family planning programme which is being given the highest priority. State Governments are accordingly being persuaded to provide suitable dispensaries and staff quarters in the rural areas.

Control of Communicable Diseases

During the Third Plan, special emphasis was placed on the eradication of malaria and samllpox. The measures adopted have resulted in a marked decline in their incidence. Under the National Malaria Eradication Programme, which was launched in April 1958, 393·25 units will be functioning in the country by the end of the Third Plan. Of these, 225 units will move into the maintenance phase during 1966-67. National Smallpox Eradication Programme was taken up in early 1962. It is expected that the target of 100% primary vaccination of the population will be achieved during 1966-67. Trachoma is a major public health problem in the northern States, from where recruits in large number are enlisted for the defence forces. Under National Trachoma Control Programme, which was launched in 1963, about 5·54 million people are expected to be covered by control measures by the end of the Third Plan. During 1966-67, the emphasis will be on consolidating the gains achieved so far in respect of the Malaria and Smallpox eradication and trachoma control programmes. Work on the control of other communicable diseases such as Cholera, V.D., Leprosy, T.B., Filariasis will be continued.

Training and Research

During the Third Plan, emphasis was laid on enlarging training facilities for different categories of medical personnel so that future expansion of medical and public health facilities can be accelerated without facing the difficulties caused by shortage of personnel. Since the First Plan there has been considerable expansion of medical education facilities. There are at present 85 medical colleges with a total admission capacity of about 11500 as against 57 medical colleges with an admission capacity of 5800 at the end of the Second Plan. A further 30 medical colleges are proposed to be set up during the Fourth Plan. Of these five would be regional medical colleges, which would be in the nature of higher medical institutions more or less on the pattern of the higher technological institutes set up on the engineering side and would help in raising the standard of medical education and training generally in different regions of the country. During 1966-67 the intention is not to open new medical colleges, except under speci circumstances, but to increase admissions in the existing institutions. It i envisaged that in 1966-67 admissions would be increased by about 100 By the end of the Fourth Plan about 45,000 doctors would be added t the present estimated number of 86,400.

The training programme in respect of other medical personnel such a nurses, auxiliary nurse midwives, dais, health visitors, and health assistan will be expanded on similar lines. The implementation of training pro grammes has brought to the fore the problem of shortage of teacher Among the various steps taken to step up the supply of teachers are th upgrading of the Departments of medical colleges and award of scholarshi for post-graduate medical education. Research facilities have also bee provided at a large number of medical colleges and research centres t ensure a continuous out-turn of medical research workers.

Water Supply and Sanitation Programme

The Water Supply and Sanitation Programme will continue durin 1966-67 at about the same level as had been reached by 1965-66. Th total outlay proposed for 1966-67 is Rs. 34·65 crores as compared wit a likely expenditure of Rs. 35·53 crores during 1965-66. However, total for 1966-67 includes provision for a number of schemes such as th Bangalore water supply scheme and the Getalsud scheme for Ranchi tow which had been financed earlier outside the State Plans. The comparativ figures of expenditure during 1965-66 and provisions for 1966-67 by majo components of the programme are as follows :—

(Rs. crores)

Programme	1965-66 (likely expenditure)	1966-67 (proposed outlay)
1 National Water Supply and Sanitation :		
(i) Urban		
(a) Metropolitan and specific projects	24·94	8·94
(b) Others	..	15·56
(ii) Rural	5·09	6·62
(iii) Special Rural Investigation Divisions	0·50	0·40
Sub-Total (1)	30·53	31·52
2 Local Development Works Programme :		
(a) Piped water supply schemes	1·84	..
(b) Simple Works (wells, tanks, etc.)	3·16	3·13
Sub-Total (2)	5·00	3·13
Grand Total (1+2)	35·53	34·65

Water supply schemes for metropolitan cities—Bombay, Madras, Delhi, Bangalore—and those related to major industrial undertakings, including defence undertakings, are being given higher priority during 1966-67. This has been done in order to meet the most urgent needs of metropolitan cities and industrial undertakings.

Programmes of Rural water supply are included under the national water supply and sanitation programmes, under the local development works programme and also under the community development programme and programmes of welfare of scheduled castes and scheduled tribes. The schemes included under the national water supply and sanitation programme are schemes of providing protected water supply which are executed by the Public Health Engineering Department of State Governments the other programmes provide assistance mainly for simple works, wells and tanks. Under the national water supply and sanitation programme, particular attention will be given during the Fourth Plan to providing protected water supply to areas of endemic cholera and meeting the water supply needs of difficult areas—hill areas, border areas, and areas of chronic scarcity. The provision under this programme during 1966-67 is Rs. 6·62 crores as against the likely expenditure of Rs. 5·09 crores during 1965-66. The outlay under local development works will be Rs. 3·13 crores. The outlay under the community development programme and programmes of welfare of scheduled castes and scheduled tribes are estimated at about Rs. 2 crores. Besides, such works are also being constructed under the programme of relief-scarcity which is in progress in a number of States.

Substantial progress has been made in construction and repair of simple works, wells, and tanks, during the period of the three Plans. According to figures furnished by the Department of Community Development, a total of 891,000 wells and tanks will have been constructed or repaired by the end of March, 1965. The object of the programmes in the Fourth Five Year Plan is to ensure that every village has a well or other source of water supply located within it or at a convenient distance from it.

APPENDIX

Physical achievements of some of the important programmes for the Third Plan and tentative targets for 1966-67

Sl. No.	Items	Anticipated position by the end of Third Plan (cumulative)	Tentative targets for 1966-67 (additions)
1	Hospital beds	2,40,000	15,000
2	Primary Health Centres	5,223	Strengthening of existing PHCs in a phased manner.
3	Medical Colleges	85	..
4	Annual Admissions (MBBS)	11,500	1,000
5	Dental Colleges	13	..
6	Annual Admissions (Dental)	600	100
7	*Available Manpower*		
	(*i*) Doctors	86,400	3,000
	(*ii*) Nurses	45,000	10,000
	(*iii*) Auxiliary Nurse Midwives/Midwives	35,000	10,000
	(*iv*) Health Visitors	3,500	400
	(*v*) Dais Nurse Dais	30,000	60,000
	(*vi*) Sanitary Inspectors/ Health Assistants	18,000	2,000
8	Malaria		30·27 Units will be in attack phase, and 225·45 in maintenance phase and 137·53 in consolidation phase.
9	Small Pox	After achieving 100% coverage the maintenance phase of the programme will be continued.	

APPENDIX II

Outlay provided for National Water Supply and Sanitation Programme for 1966-67

(Rs. lakhs)

Sl. No.	Name of the State/U.T.	Specific Projects (large cities)	Other towns	Total Urban	Rural	Total Urban and Rural	Remarks
1	2	3	4	5	6	7	8
1	Andhra Pradesh .	..	285·00	285·00	..	285·00	
2	Assam . . .	..	21·00	21·00	19·00	40·00	
3	Bihar . . .	200·00*	75·00	275·00	10·00	285·00	*Getalsud. Hydel-cum-Water Porject.
4	Gujarat . . .	..	94·88	94·88	62·16	157·04	
5	Jammu & Kashmir .	..	36·40	36·40	80·00	116·40	
6	Kerala . . .	30·00*	65·00	95·00	15·00	110·00	*Cochin
7	Madhya Pradesh .	24·00	90·00	114·00	60·00	173·00	*Jabalpur
8	Madras . . .	170·00*	170·00	340·00	35·00	375·00	*Madras
9	Maharashtra . .	..	205·00	205·00	60·00	265·00	
10	Mysore . . .	150·00*	..	150·00	30·00	180·00	*Bangalore
11	Nagaland . . .	..	18·57	18·57	15·20	33·77	
12	Orissa . . .	..	45·00	45·00	15·00	60·00	
13	Punjab . . .	..	12·50	12·50	37·50	50·00	
14	Rajasthan . .	..	58·00	58·00	40·00	98·00	
15	Uttar Pradesh . .	..	230·00	230·00	92·00	322·00	
16	West Bengal . .	..	28·90	28·90	60·00	88·90	
	TOTAL .	574·00	1435·25	2009·25	630·86	2640·11	
1	Delhi	NA	NA	NA	NA	330·00	
2	Himachal Pradesh .	..	15·00	15·00	8·00	23·00	
3	A. & N. Islands .	..	4·00	4·00	3·00	7·00	
4	Manipur . .	..	10·08	10·08	3·10	13·18	
5	Pondicherry . .	..	15·00	15·00	0·30	15·30	
6	Tripura . . .	..	12·50	12·50	..	12·50	
7	N.E.F.A. . . .	..	5·75	5·75	5·00	10·75	
8	L. & M. Islands .	..	..	..	..	..	
9	Goa . . .	..	55·00	55·00	1·50	56·50	
10	Dadar & Nagar Haveli	..	..	4·00	..	4·00	
	TOTAL .	NA	117·33	121·33	20·90	472·23	
	GRAND TOTAL .	574·00@	1552·58	2130·58	651·76	3112·34	
	Rural Investigation Division . . .				40·00 (proposed)	40·00	

@Stands for Total based on the available data.

Note: Water Supply and Sanitation programmes are included under Health, sep rate outlays for them have not been indicated by a number of States and Union Territc ries. In such cases the figures represent recommendations of the Working Groups.

APPENDIX III

Statement showing expenditure during 1965-66 under N.W.S. and S—Urban and Rural

(Rs. lakhs)

Sl. No.	Name of the State/Union Territories	Urban	Rural	Total
1	Andhra Pradesh	372·61	2·75	375·36
2	Assam	17·82	6·68	23·50
3	Bihar	70·76	..	70·76
4	Gujarat	100·37	52·32	152·69
5	Jammu & Kashmir	NA	NA	116·21
6	Kerala	80·00	15·00	95·00
7	Madhya Pradesh	126·00	50·00	176·00
8	Madras	314·54	2·17	316·71
9	Maharashtra	255·22	25·00	280·22
10	Mysore	194·50	40·00	234·50
11	Nagaland	12·36	15·00	27·36
12	Orissa	25·00	10·00	35·00
13	Punjab	28·55	34·27	32·82
14	Rajasthan	93·00	71·00	164·00
15	Uttar Pradesh	NA	NA	NA 263·94*
16	West Bengal	35·38	36·00	71·38
	TOTAL	NA	NA	2465·65
1	Delhi	NA	NA	383·25
2	Himachal Pradesh	NA	NA	40·51
3	A. & N. Island	11·95	2·00	13·95
4	Manipur	24·82	..	24·82
5	Pondicherry	9·50	..	9·50
6	Tripura	NA	NA	12·42
7	N.E.F.A.	NA	NA	8·19
8	L. & M. Island	NA	NA	0·16
9	Goa	NA	NA	44·54
10	Dadra & Nagar Haveli	NA	NA	NA
	TOTAL	NA	NA	537·24
	GRAND TOTAL	NA	NA	3002·89
	Rural Investigation Division (Centrally sponsored)	..	50·00 (budget)	50·00

*Estimated.

FAMILY PLANNING

The family planning programme is one of the high priority programmes in 1966-67. The allocation for the programme has been raised from about Rs. 8 crores in 1965-66 to over Rs. 15 crores in 1966-67. This will enable the Ministry of Health & Family Planning to launch a more intensive and sustained effort in the field. The importance of family planning in the context of economic development of the country has been recognised. The programme, which originated during the First Plan period, has been reorganised in the Third Plan. In order to achieve our goal of reducing the birth rate to 25 per 1000 as expeditiously as possible, it is necessary to introduce greater speed and efficiency in the implementation of Family Planning Programme. The U.N. Team also had stressed the need for a crash programme in the field keeping in view the use of I.U.C.D. which has greater possibilities of large scale acceptance and is of proven effectiveness. The three main objectives of the programme have now been identified as adoption of small family size norm by the general population, wide-scale knowledge about contraceptive methods and widespread availability of contraceptive supplies and services. On the basis of the recommendations of the sub-committee of the Cabinet, the organisations at the centre and in the states have been strengthened. There are about 15800 service centres which render advice on family planning and distribute contraceptives. About 5500 persons have been trained in family planning work. Facilities for free sterilisation are proposed on a fairly extensive scale. Till October, 1965, about 1·04 million sterilisation operations were performed and about 0·20 million IUCD administered.

The Family Planning Organisation at Headquarters has also been strengthened. A Central Family Planning Council with the Union Health Minister as Chairman and Health Minister of States, Presidents of All India Organisations, some experts and some Members of Parliament as members has been formed. This Council will lay down the general policy. The Planning Commission, in the Third Five Year Plan stressed that administrative arrangements at the Centre need to be greatly strengthened. The Health Survey and Planning Committee also strongly advocated strengthening and developing the family planning organisation. In October 1963 the Family Planning Programme Evaluation and Planning Committee set up a panel of consultants and independent Assessment Teams at the Centre and in the States to conduct an evaluation of the Family Planning programme. This Panel also recommended Central high powered direction and executive bodies, a Director General of Family Planning who should have the ex-officio status of a Additional

Secretary, with an office of field operations to be headed by a senior officer capable of providing strong leadership in the development of State programmes. It further recommended that under the Director of Field Operations there should be six Regional Family Planning Officers to provide liaison and assistance to the States. Taking these suggestions into view and the recommendations of the Cabinet Committee on Family Planning the Ministry of Health and Family Planning have appointed a Commissioner, Family Planning, in the Directorate General of Health Services with the rank of Additional D.G.H.S. with effect from August, 1965. Regional Officers have also been appointed for coordinating and speedy implementation of the programme at Lucknow, Bangalore, Calcutta Chandigarh, Bhopal and Baroda.

Various Committees have been formed to study in detail various aspects arising out of the implementation of this programme. A Cabinet Committee on Family Planning to assess the achievement of the Family Planning Programme at the National level and to suggest ways and means for its fuller implementation has also been functioning.

For successful implementation of the family planning programme it is necessary to create a strong desire and will to space and limit the number of children. Extensive education of the people, therefore, would form an important aspect of the programme during 1966-67 aiming at stimulating and intensifying the latent desire in individuals for a higher standard of living and a happy family life and translate this desire into action by making the necessary information and advice available using all education media specially the mass media. Honorary Education Leaders have been appointed in 144 districts and action will be taken to appoint such leaders in the remaining districts. The time and frequency of All India Radio broadcasts on Family Planning, both direct and indirect has been increased. More emphasis has been given to dialogues, interviews with rural people, songs and plays, etc. During 1966-67 emphasis will be laid on I.U.C.D. programme but ensuring at the same time that there is no slackening of effort in regard to sterilization and distribution of contraceptives. It is envisaged that about 8 to 9 lakhs sterilization operations will be arranged in 1966-67. The Population Council of New York has offered a free gift of 1·2 million loops. The I.U.C.D. factory established by U.P. Government at Kanpur has produced upto December 1965 about 4·47 lakh loops. This factory has also started producing inserters. It is proposed to double the production of loops by installing another machine. All the loops produced are subjected to rigid quality control before distribution to the States. Medical Stores Depot at Madras has developed satisfactorily the production of foam tablets and is manufacturing tablets in sufficient quantity to meet the demands of all the State Governments. There will be the necessity to increase the requirements of condoms as a large number of couples would be motivated to adopt family planning methods. Requirements of condoms during 1966-67 is estimated to be 165 million pieces. This requirement will be met partly by importing and partly by increasing indigenous production. With the establishment of the condom factory in the public sector further supplies of indigenous products will be available. Research is being carried out in the fields of demography, communication and bio-medical. There are 24 centres having 57 research schemes under operation. Training centres at the rate of one training centre for each 10 million population to meet the training needs of the reorganised programme will be set up.

About 27 studies on family planning knowledge and attitude done so far give strong evidence of increasing receptivity as a result of efforts on Family Planning Education and motivation. A very wide-spread acceptance of the programme has undoubtedly been created.

Reduction in fertility in other parts of the world has shown reduction first in the skilled, then semi-skilled and later in unskilled workers. There is a correlation of birth rate with level of education of mothers. This is the normal process of transition and has also emerged in India. The National Sample Survey has shown that the number of Children born to women is 2·6 if her education is intermediate and above, 4·2 if matriculate, 4·5 if middle school and over 6 if illiterate.

HOUSING AND CONSTRUCTION

Plan Outlay

As against the plan outlay of Rs. 34·8 crores in 1965-66, the anticipated expenditure would be of the order of Rs. 33·6 crores. For 1966-67, an outlay of Rs. 24·06 crores has been proposed. The reduced outlay is due to the general directive that housing programmes should be slowed down during the emergency so as not to draw heavily on the financial resources as well as on building materials required for other priority needs. During 1966-67 the main effort would be to complete schemes in hand for which commitments have been made. Practically no new schemes of construction would be undertaken during 1966-67. Targets and Achievements for 1965-66 and targets for 1966-67 are given in Appendix I.

The following table indicates the plan outlay and the anticipated expenditure for 1965-66 and the allocations made for 1966-67 in the Plans of States and Central Ministries:—

Annual Plan Outlays, 1965-66 and 1966-67

(Rs. crores)

	1965-66 Plan	1965-66 Anticipated	1966-67 Plan
1	2	3	4
State Plans :			
1 Subsidised Industrial Housing Scheme	5·38	5·26	3·59
2 Low Income Group Housing Scheme	5·45	5·20	3·52
3 Plantation Labour Housing Scheme	0·15	0·10	0·07
4 Slum Clearance and Improvement	5·06	3·70	2·54
5 Village Housing Projects Scheme	1·50	1·63	0·82
6 Middle Income Group Housing in Union Territories	0·89	0·83	0·61
7 Land Acquisition & Development in Union Territories	0·28	..	0·04
8 Other Schemes	1·22	1·06	0·62
TOTAL	19·93	17·78	11·81
Central :			
1 Slum Clearance (Central Share)	4·80	4·56	3·56
2 Cellular concrete factories	0·50	0·25	0·75
3 Office & Residential Accommodation	8·00	10·00	6·51
4 Dock Labour Housing	0·28	0·17	0·28
5 Town Planning	1·10	0·65	0·90
6 Urban Community Development	0·09	..	0·10
7 Subsidised Industrial Housing (Employees)	0·15	0·15	0·15
TOTAL	14·92	15·78	12·25
GRAND TOTAL	34·85	33·56	24·06

Subsidised Industrial Housing Scheme

This scheme which was introduced in September, 1952 for the provision of houses to low-paid industrial workers is implemented by three agencies: (a) State Governments, (b) Employers and (c) Cooperative Societies of Industrial Workers, Since the inception of the scheme Central assistance to the extent of Rs. 63 crores has been sanctioned for the construction of 1·8 lakh houses. Against this, a sum of Rs. 52 crores have already been drawn by the State Governments, employers, etc. For 1966-67, a provision of Rs. 3·6 crores has been made.

Low Income Group Housing Scheme

This scheme was introduced in November, 1954 and provides for the grant of loans to the extent of 80% of the cost of the house, subject to a maximum of Rs. 10,000/- to persons whose income does not exceed Rs. 6,000/- per annum. Apart from individuals and their cooperatives. loans can also be advanced to non-Government Health Institutions, Hospitals, Educational Trusts and Educational Institutions, including Universities, Charitable Institutions and Local Bodies for construction of houses for their low paid employees.

The State Governments and Union Administrations have also been authorised to utilise upto one-third of the financial allocation given to them for construction of houses for economically weaker sections of the community *i.e.* those having monthly income of Rs. 250 in Bombay, Calcutta and Delhi and Rs. 175/- at other places. In the case of these houses, 25% of the cost is provided by the Central Government as subsidy and the remaining 75% as loan.

Financial assistance to the extent of Rs. 70·5 crores had been sanctioned upto the end of March 1965 for the acquisition/development of land and construction of 1,33,983 houses. Against this, a sum of Rs. 60·2 crores was disbursed to the State Governments/Union Administrations upto 31st March, 1965. A provision of Rs. 3·5 crores has been made for the financial year 1966-67.

Slum Clearance and Improvement

This scheme was introduced in May, 1956 and is intended for the re-housing of slum families whose monthly income does not exceed Rs. 250/- in Bombay, Calcutta and Delhi and Rs. 175/- in other cities. It provides for the grant of financial assistance to the extent of 75% of the approved cost of house—37½ per cent as loan and 37½ per cent as subsidy. The remaining 25% is provided as subsidy by the State Governments. In the Union Territories, 100% financial assistance (50% as loan and 50% as subsidy) of approved cost of the houses is borne by the Central Government. The scheme also provides for the grant of financial assistance on the same pattern for the improvement of slum areas in cases where they are situated on public lands or on private lands which have been requisitioned for a period of 10 to 15 years.

The State Government and Union Administrations have so far sanctioned 93,227 dwelling units at an estimated cost of Rs. 35·1 crores. A provision of 2·54 crores has been made in the Budget Estimates for 1966-67.

Office and Residential Accommodation

The bulk of the provision under the scheme is for residential accommodation for Central Government Employees in Delhi, Madras, Bombay, etc. A large number of schemes which have already been sanctioned will be completed during the year 1966-67.

Cellular Concrete Factories

Two factories—one at Bandel (West Bengal) and the other at Ennore (Madras) are proposed to be set up with the technical assistance from the Polish Government during the year 1966-67. The preliminaries including the agreement with the Polish Government have all been completed. Each of these plants will aim at a production of 138 million cubic feet of cellular concrete from 1967-68 onwards.

Town Planning

In addition to the preparation of Master Plans for selected cities and regions indicated in the Third Five Year Plan report, preparation of plans for towns in Union Territories have also been taken up. Some of these plans have been completed either as interim or draft master plans. Many of them are in the process of completion. Regional plans for 13 regions are also under progress. During 1966-67 it is expected that work on this would be completed. Besides, plans will be prepared for the following:

(1) Preparation of a regional plan for the National Capital Region
(2) Lucknow-Kanpur Region
(3) Bombay-Poona Region
(4) Cochin Region
(5) Madras Metropolitan region.

In the Fourth Plan it is proposed to prepare master plans and regional plans for about 62 class I cities, 100 class II cities and 51 tourist/pilgrim/educational centres.

Urban Community Development

Pilot projects on nrban community development which could not be taken up during 1965-66 would be initiated during 1966-67.

APPENDIX I

(No. of Houses)

	1965-66 Target	1965-66 anticipated achivement	1966-67 Target
1 Subsidised Industrial Housing Scheme . . .	13,450	13,155	8,980
2 Low Income Group Housing Scheme . . .	6,815	6,485	4,400
3 Plantation Labour Housing Scheme . . .	360	255	175
4 Slum Clearance and Improvement . . .	32,815	27,445	10.420
5 Village Housing Projects Scheme	7,515	8,170	4,100
6 Middle Income Group Housing Scheme in Union Territories	595	550	405
TOTAL . . .	61,550	56,060	37,480

DEVELOPMENT OF BACKWARD CLASSES

Plan Outlay

In 1965-66 the anticipated expenditure for Welfare of Backward Classes is Rs. 29·34 crores. For 1966-67 a total outlay of Rs. 24·11 crores has been agreed to. The break-up is as follows:—

(Rs. crores)

	1965-66	1966-67
States	15·54	8·96
Union Territories	0·80	0·65
Centre	13·00	14·50
TOTAL	29·34	24·11

The tentative break-up of outlay as between education, economic and health, housing and other schemes for States and Union Territories is as follows:—

(Rs. crores)

	States	Union Territories	Total
I. Education	4·45	0·15	4·60
II. Economic Development	2·74	0·32	3·06
III. Health, Housing & Others	1·77	0·18	1·95
TOTAL	8·96	0·65	9·61

The following schemes will be covered under the Central sector :—

(Rs. crores)

Schemes:	
1. Tribal Development Areas, Blocks and sub-blocks (area based)	9·58
2. Cooperation (institution based)	0·48
3. Post-matric scholarships and girls' hostels (individual benefit)	1·84
4. Improvement in working condition in 'unclean' occupations (benefit of specific categories)	0·46
5. Housing and house-sites for Scheduled Castes (benefit of specific categories)	0·52
6. Welfare of Denotified Tribes and Nomadic Tribes (benefit of specific categories)	0·02
7. Research, Trainning, Special Cadres (general)	0·35
8. Aid to all India Voluntary Organisations (general)	0·35
TOTAL	14·50

Plan Targets and Achievements

Achievement of principal physical targets in the Third Plan and 1966-67 targets are given below:

Post-matric scholarships	No. of scholarships awarded
1961-62	57,563
1962-63	65,829
1963-64	72,511
1964-65	81,937
1965-66	92,578
TOTAL	3,70,418
1966-67	1,06,000 (estimated)

Tribal Development Block	No. started
1961-62	27
1962-63	43
1963-64	100
1964-65	111
1965-66	134
TOTAL	415
1966-67	32 (proposed)

T. D. Blocks

During the current year 134 new Tribal Welfare Blocks were started, 281 Tribal Development Blocks started in previous years of the Third Plan were maintained. Also 41 S.M.P.T. started in the Second Plan were maintained at Stage II. In the first year of the Fourth Plan the work of T. D. Blocks is proposed to be reorganised on the basis of an Area Development approach. For 1966-67 only 32 new Tribal Development Blocks are proposed to be started. Besides, this, few areas which do not qualify for T. D. Blocks but have sizeable concentrations of tribals, will get sub-blocks and for this a provision of grants is also made.

Cooperation

Based on the recommendations of the special Working Group on Cooperatives for Backward Classes, a special pattern of assistance has been devised to promote various types of cooperatives among tribal communities, Harijans and Denotified tribes. There will be emphasis on starting more forest co-operatives in tribal and scheduled areas. This scheme is to be carried out in coordination with Forest Departments, T.W. Departments and C.D. Departments in the State. A small committee has been set up in the Centre to work out the details of the scheme. There is also provision for starting cooperatives for sweepers in the urban areas.

Post-matric scholarships

It is estimated that in the current year 92,578 Scheduled Castes and Scheduled Tribes have been awarded post-matric scholarships. In 1966-67 about 1·06 lakh Scheduled Castes and Scheduled Tribes students for post-matric studies are expected to apply for post-matric studies. It has been decided that to the extent possible, value of scholarships should be enhanced in line with rising prices. About Rs. 28 lakhs is provided for hostel facilities to encourage Scheduled Castes and Scheduled Tribes girls to continue their studies.

Improvement in working and living condition of sweepers

To improve the lot of sweepers and scavangers in the urban areas, conservancy systems are to be modernised. Local Self Governments are to provide improved implements for their conservancy staff to do scavanging work in a hygienic manner in the interest of their own health as well as of the general public.

Housing and House-sites for Scheduled Castes

As one of the major problems faced by Scheduled Castes is in regard to housing, it is proposed to implement this programme in coordination with the larger programme of rural housing by promoting mixed abadis in congested villages.

Welfare of Denotified Tribes & Nomadic Tribes

Due to special difficulties experienced by Denotified Tribes and Nomadic Tribes, *viz.*, stigma of criminality and nomadism, it has not been possible to tackle the problem of rehabilitating these groups successfully. The State Governments have been asked to draw up comprehensive schemes based on closer studies in order to bring about complete socio-economic rehabilitation of these communities.

Research and Training and Special Cadres

It has been decided to impart more direct development orientation to the existing Tribal Research Institutes and promote better coordination with other research organisations and between them and the planning and implementing authorities. State Governments will be assisted to set up special cadres and sub-cadres of personnel to work in tribal areas.

Aid to voluntary agencies

Besides giving grants to all-India Voluntary Agencies for taking up specific welfare programmes among backward classes, these agencies will also be assisted to strengthen their organisational and administrative structures with trained and educated personnel on a sustained basis.

SOCIAL WELFARE

Plan Outlay

The Annual Plan 1966-67 provides a sum of Rs. 5·79 crores for social welfare programmes. This is made up of Rs. 4·26 crores at the Centre, Rs. 1·19 crores for States and Rs. 0·34 crores for Union Territories. The likely expenditure in 1965-66 is Rs. 5·34 crores. The table below indicates the allocation of the provision at the Centre among important welfare programmes.

(Rs. lakhs)

Scheme	Outlay
1. Family and Child Welfare Projects and for continuation of the remaining Welfare Extension Projects which are not converted into Family & Child Welfare Projects.	100·00
2. Special Programmes for Children :	
(i) Holiday Homes	3·00
(ii) Production of Children's literature etc.	5·00
3. Special Programmes for Women :	
(i) Condensed courses of education for adult women	28·00
(ii) Socio-economic programme	8·00
(iii) Dais and Mahila Mandal training	1·00
4. Other schemes of Central Social Welfare Board :	
(i) Grants-in-aid to Voluntary Welfare Organisations	70·00
(ii) Night Shelters	1·00
(iii) Field counselling	1·50
(iv) Welfare Extension Projects (Urban)	4·00
(v) Other schemes of the Central Social Welfare Board	1·50
5. Strengthening of Voluntary Welfare Organisations	25·00
6. Education of the handicapped	39·00
7. Welfare of the non-student Youth (including Pre-vocational training)	40·00

(Rs. lakhs)

Scheme	Outlay
8. Social Defence :	
(i) Central share for the Social Defence and care schemes of the State Governments	17·00
(ii) Central share for the Social and Moral Hygiene and After-care Programmes	9·00
(iii) Financial assistance to the Association for Moral and Social Hygiene in India	1·00
(iv) Central Bureau of Correctional Services	2·00
9. Training, Research, Surveys and Administration	11·00
10. Central share for the Social Welfare Schemes of the State Governments (other than Social Defence After-care & Welfare of the Handicapped Schemes)	29·00
11. Rehabilitation of the displaced persons	30·00
TOTAL	426·00

Priorities

While in the Fourth Plan, attention will be largely given to consolidating and expanding the programmes started during the previous plans, certain changes are contemplated which are intended to be initiated from 1966-67. Firstly, the schemes relating to welfare of women and children under the Community Development, Welfare Extension Projects of the Central Social Welfare Board and the Integrated Child Welfare projects are proposed to be reorganised into a single composite programme of Family and Child Welfare Projects in rural areas. This will be the largest single programme directed towards the welfare of women and children in the rural areas. Nearly 100 Family and Child Welfare Projects would be set up during 1966-67.

Secondly, Voluntary Organisations which have played and continue to play a vital role in the implementation of welfare schemes will be adequately strengthened and helped to build up their potentiality for growth. They would be enabled to maintain their establishments staffed with trained and experienced personnel. The question of promoting minimum standards of welfare services and generally the working efficiency of voluntary organisations would be pursued more vigorously.

Thirdly, the problem of beggary and vagrancy, especially the problem of professional and juvenile beggars and welfare services for the non-student youth who form a formidable majority of the country's youth population would be taken up on a priority basis.

Scheme to be taken up under State sector vary from State to State depending upon local conditions and need. Some of the important schemes that figure in the State Plans are institutional services for widows and orphans, physically handicapped persons and socio-economic programmes to assist women in lower income groups to supplement their family income.

Targets and Achievements

A statement showing the likely achievements of physical targets under social welfare during the Third Plan period and 1966-67 targets is given below :—

Statement Showing Likely Physical Targets under Welfare during 1966-67

Programme	Unit	Position at the end of the Third Plan	Targets 1966-67
I. Central Social Welfare Board :			
(*a*) Grants-in-aid	No. of grants	14,000	4,000
(*b*) Condensed courses of education for adult women . . .	No. of courses	624	130
(*c*) Socio-economic programme .	No. of Units	75	40
(*d*) Night Shelters	No. of shelters	19	19
(*e*) Holiday Homes	No. of camps	638	160
II. Social Defence :			
(*a*) Beggar Homes and Work Centres for Beggar	No.	14	7
(*b*) After-care Homes . . .	No. of homes	16	5
(*c*) Protective Homes . . .	Do.	5	2
III. State's own programmes :			
(*a*) Homes for socially handicapped children . . .	No. of homes	21	10
(*b*) Homes for socially handicapped women	Do.	17	5
(*c*) Schools/Homes for the blind, deaf & dumb, etc. . . .	No. of schools	18	6
(*d*) Sheltered workshops for the handicapped	No. of workshops	4	5

CRAFTSMEN TRAINING AND LABOUR WELFARE

For 1966-67 a provision of Rs. 17·20 crores has been proposed for schemes in the Craftsmen Training and Labour Welfare Programmes. The outlay in 1965-66 was Rs. 18·95 crores. The bulk of the proposed outlay is for training programmes. A somewhat lower outlay has been proposed for 1966-67 keeping in view the likely shortfall in expenditure in 1965-66. It is also intended to make a fuller utilization of existing facilities in preference to the setting up of new institutions. It is also expected that increased facilities for training would be offered in the private sector.

The break up of the outlay between the Centre, States and Union Territories for 1965-66 and 1966-67 is as under:

(Rs. crores)

	1965-66	1966-67
Centre	10·55	9·35
States	7·66	7·34
Union Territories	0·74	0·51
TOTAL	18.95	17.20

The Employment and Training Schemes of the Directorate General of Employment and Training constitute the principal programme at the Centre. The training programmes are intended to provide such facilities keeping in view the projected demand for craftsmen and skilled workers in engineering and non-engineering trades in the Fourth Plan. The allocation for Craftsmen and Other Training Programmes for 1966-67 is Rs. 7·20 crores and accounts for over 90 per cent of the total proposed outlay at the Centre. It is hoped to provide additional seating capacity of 30,000 trainees in the I.T.Is during 1966-67. During the Third Plan, a target of 57,800 seats was fixed and against this 63,200 additional seats have already been sanctioned. Similarly the target for creation of additional training capacity for craft instructors has been already achieved.

In the field of workers' education, which is another important continuing scheme, the outlay for 1966-67 is Rs. 10 lakhs at the Centre. The scheme provides for imparting trade union philosophy and principles of good citizenship to workers. Here also the principal Third Plan target has been achieved by December, 1965; 2·75 lakh workers have received training.

Programmes for extension of Coverage of Employment Service, collection of Employment Market Information, Vocational Guidance, Employment Counselling and Occupational Research and Analysis have been given due importance and a provision of Rs. 7·05 lakhs has been made for Manpower and Employment Service.

As aids to the formulation of appropriate labour policies, scientific studies of the human factor in industrial development and surveys of the other factors that affect industrial labour are to be undertaken. Provision has accordingly, been made for (a) expansion of regional and central institutes, (b) evaluation studies of the extent of implementation by labour laws and policies on the industrial sector, (c) barrier survey of coal mines and (d) labour bureau schemes. In pursuance of a decision taken by the Standing Labour Committee to promote safety propaganda among industrial workers, a sum of Rs. 1·34 lakhs has been provided in 1966-67 for National Safety Council.

The outlay proposed in the State sector for 1966-67 is Rs. 7·34 crores, against Rs. 7·66 crores in 1965-66. The programmes covered in the States' sector are: Craftsmen Training; Manpower and Employment Schemes; Extension of Medical Care under Employees' State Insurance Scheme; and Labour Welfare/Administration. The Craftsmen Training and Manpower and Employment Schemes are Centrally sponsored and the States' share is 40 per cent of the total outlay for these schemes during 1966-67. The outlay in respect of medical care under Empolyees' State Insurance Scheme represent the States' share of the expenditure, which is one eighth of the total expenditure involved. The rest of the expenditure is to be met by the Employees' State Insurance Corporation. The Labour Welfare/Administration programmes, which are wholly financed by the States' cover schemes, such as: the establishment of labour welfare centres; expansion of the administrative cell for the implementation of labour laws; strengthening of industrial relation machinery; industrial hygiene service; setting up of a testing laboratory for examination of boilers; opening of productivity units; part-time classes for industrial workers; educational tours; financial assistance to trade unions; and promotion of safety measures; etc.

PUBLIC COOPERATION

The main object of Public Cooperation schemes is to strengthen voluntary organisations by providing them a cadre of trained workers and through them mobilising local effort and resources in the implementation of various development schemes under the Plan.

Annual Plan Outlays

The likely expenditure during 1965-66 and the outlays for 1966-67 for various Public Cooperation schemes are given below:

(Rs. lakhs)

Name of the Scheme	Likely Expenditure 1965-66	Outlays 1966-67
1. Lok Karya Kshetras (Rural)	20·50	22·00
2. Lok Karya Kshetras (Urban)	5·00	6·00
3. Planning Forums	5·00	6·00
4. Research, Training and Pilot Projects and measures to strengthen voluntary organisations	12·80	16·26
5. National Consumer Service	0·80	1·40
6. Prohibition	6·00	8·00
7. Moral and Social Hygiene Programme through Voluntary Organisations	1·40	1·18
8. Loan Assistance to—		
(i) Construction service of Voluntary Organisations and Labour Cooperatives	30·00	28·00
(ii) Commercial and semi-commercial activities by voluntary organisations and office accommodation		
TOTAL	81·50	88·84

The programme of rural and urban Lok Karya Kshetras has proved popular with the voluntary organisations. Best results are achieved when Lok Karya Kshetras are run by a voluntary organisation in collaboration with an educational institution. In 1966-67, 50 rural and 8 urban Lok Karya Kshetras are to be set up. The programme is being evaluated. Additional Planning Forums will be opened in 1966 bringing the total number of Forums to 1,000. Planning Forums are being encouraged, through special grants, to adopt adjoining villages/slum areas for sustained development work.

2. The Central Training and Research Institute on Public Cooperation has commenced functioning and will provide facilities to voluntary organisations, for research, training, evaluation and publications. The Encyclopaedia of Social Work in India, which will give comprehensive information about the activities of voluntary organisations and non-official

agencies, is expected to be published shortly. The National Consumer Service will be extended to most of the States. It will organise research in consumer problems, work for the promotion of consumer interests and promote consumer cooperatives. The programmes of Bharatiya Grameen Mahila Sangh for rural women, the Association for Moral and Social Hygiene in India for suppression of immoral traffic, and Educational Work on Prohibition will be continued and further extended.

3. The Construction Service of Voluntary Organisations is being reorganised to operate on commercial lines. However, although so organized, its profits will continue to be utilized for philanthropic purposes. It is expected that after the reorganisation, the construction service will expand its activities. Similarly, it is expected that the activities of the labour cooperatives will be further strengthened and expanded in most States.

REHABILITATION

During 1966-67 it is proposed to resettle about 26,000 refugee families from East Pakistan including 2,000 refugee families in certain selected areas and 750 non-refugee tribal families in Dandakaranya. The schemes envisaged are those relating to resettlement of 3,750 agricultural families in Dandakaranya area and resettlement of nearly 14,000 agricultural families in different States. About 1,800 families are likely to be resettled in non-agricultural occupations other than industry and about 5,000 families in industry. Apart from direct resettlement schemes there are schemes for training and education of refugees, provision for Rehabilitation Reclamation Organisation and Rehabilitation Industries Corporation. In addition, some provision has been made to settle the residuary problems of old migrants from East Pakistan and resettlement of repatriates from Burma and Ceylon. The aggregate provision for these schemes is Rs. 18·65 crores. This is exclusive of the provision for the Special Area Development Programmes.

RURAL MANPOWER PROGRAMME

At the end of the Third Plan, the Rural Manpower Programme, hitherto known as the Rural Works Programme, covered 998 development blocks; the total expenditure during the five-year period being of the order of Rs. 16·81 crores approximately. The Fourth Plan envisages a sizeable Rural Manpower Programme aiming at the effective utilisation of rural manpower resources for productive activities and for building up community assets in rural areas. The programme is to have a two-fold objective of providing employment and broader opportunities for the unutilised and under-utilised rural manpower and of imparting new skills through 'on-the-job training' to the rural labour force with a view to improve their employability. The financial allocation and the details of the programme for the five-year period are being worked out. For 1966-67, the first year of the Fourth Plan, a provision of Rs. 8 crores has been made. This would provide work in terms of 100 days of employment to about 4 lakhs persons. The programme will continue to be directed to the areas of extreme backwardness, unemployment and under-employment. Emphasis will also be placed on the maximum utilisation of the Panchayati Raj institutions in the implementation of the programme. In addition, it is proposed to have some pilot studies and schemes for skill-formation in selected areas.

MISCELLANEOUS

A total provision of Rs. 30·21 crores has been made for Miscellaneous schemes during 1966-67. The outlay at the Centre is on account of the taking over of certain State plan schemes like the Rajasthan Canal, Gandak scheme in Bihar (Nepal benefits), some additional Central Assistance to States, expansion of the Government Printing Press, Statistics, Plan Publicity and some schemes for the welfare of Central Government employees; States' outlays are in respect of Statistics, Publicity, Local Bodies, State Capital Projects and some other schemes. A more detailed account of the Statistical programmes for 1966-67 is given below.

Statistics

An outlay of Rs. 166 lakhs has been proposed for 1966-67 as against the anticipated outlay of Rs. 206 lakhs during 1965-66. The prinicpal schemes which fall under this developmental head "Miscellaneous—Statistics" are to be taken up largely at the Centre (Department of Statistics). Break-up of the outlay between Centre, States and Union Territories for the two years 1965-66 and 1966-67 is as under:

(Rs. lakhs)

	1965-66	1966-67
Centre (Deptt. of Statistics)	108	105
States	84	53
Union Territories	14	8
TOTAL	206	166

Schemes to be taken up at the Centre amount for about 61 per cent of the outlay for 1966-67. A substantial part—about 38 per cent of the provision at the centre is meant for payments to Indian Statistical Institute for N.S.S. work done by them during 1960-64. List of the schemes together with their budgeted outlay for 1966-67 is given in Appendix I.

Regarding States and Union Territories, 145 statistical schemes were discussed and recommended for inclusion in the Annual Plan 1966-67 by the Working Group on Statistics. Outlay recommended for the different States and Union Territories is given in Appendix II. Major schemes included are, (i) survey of cottage and small industries (unregistered sector), (ii) strengthening of State Statistical Bureaus and District Statistical Agencies, (iii) State income estimation, (iv) agricultural statistics and crop surveys, and (v) training of statistical personnel.

APPENDIX I

Annual Plan 1966-67 : Department of Statistics

(Rs. lakhs)

Sl. No.	Scheme	Outlay
1	Preparation of indices of comparative costliness and National Income Estimates	4·00
2	National Sample Survey Schemes (Type II studies and extension of N.S.S. to Goa and Pondicherry)	0·58
3	Payments to I.S.I. for National Sample Survey work	41·00
4	Grants to Indian Statistical Institute	26·00
5	Tabulation of N.S.S. and other data required by Government	15·00
6	New Schemes of Central Statistical Organisaiton	
	(i) Setting up of a separate mechanical tabulation unit	5·00
	(ii) Expansion of Industrial Statistics	3·90
	(iii) Expansion of the Statistics and Surveys Division (Planning Commission); Planning and State Statistics Division (C.S.O.)	2·67
	(iv) Collection, compilation and improvement of statistics relating to Scientific and Industrial Research and Development	0·48
	(v) Development of Statistical Intelligence; analysis and extension work in C.S.O.	1·80
	(vi) Development of Prices and Cost of Living statistics.	2·10
	(vii) Re-organisation and Development of Training Division (C.S.O.),	1·05
	(viii) Central tabulation of the data relating to Crop Estimation Survey	1·00
	TOTAL	104·58

APPENDIX II

State-wise Plan Outlays for 1966-67

	(Rs. lakhs)
Andhra Pradesh	3
Assam	3
Bihar	1
Gujarat	1
Jammu and Kashmir	2
Kerala	4
Madhya Pradesh	4
Madras	7
Maharashtra	1
Mysore	5
Nagaland	2
Orissa	7
Punjab	6
Rajasthan	2
Uttar Pradesh	1
West Bengal	4
Sub-Total (States)	***53***
Andaman & Nicobar Islands	neg.
Delhi	1
Goa, Daman and Diu	1
Himachal Pradesh	2
Laccadive, Minicoy and Amindive Islands	nil
Manipur	1
North East Frontier Agency	1
Pondicherry	neg.
Tripura	1
Dadra and Nagar Haveli	neg.
Sub-Total (Union Territories)	***8***
Grand Total	**61**

ANNEXURE

AGRICULTURAL PROGRAMMES IN 1966-67

CENTRAL SECTOR

In order to ensure that agricultural production is lifted from the present level of stagnation to higher technological levels, it is important that the Central Government should assist the State Governments in a larger measure than here-to-before in the implementation of agricultural development programmes. Accordingly, in the Plan for 1966-67, a number of schemes, to which special emphasis has to be given, have been taken up as Central or Centrally sponsored programmes. Brief descriptions of some of the important schemes in the Central Sector are given in the following paragraphs:

DEPARTMENT OF AGRICULTURE

National Seeds Corporation

The National Seeds Corporation has been given the over-all responsibility for maintaining adequate quantities of breeders' stock of hybrid maize, sorghum, bajra, etc. This Corporation was set up by the Government of India as an autonomous body in March, 1963 with an authorised capital of Rs. 5 crores. The paid-up capital as on January 1, 1966 amounted to Rs. 36 lakhs. In addition, the Government of India advanced loans to the Corporation totalling Rs. 12 lakhs. Because of the expansion in the activities of the Corporation to meet the increasing demand for improved seeds, it is proposed to increase its financial resources by advancing more funds as loan. In the year 1966-67, a provision of Rs. 100 lakhs has been made as Government's contribution to the share capital of the Corporation—Rs. 34 lakhs for share capital and Rs. 66 lakhs as loan. The Corporation also proposes to take short-term loans from the Government of India to an extent of Rs. 150 lakhs during 1966-67 to attain the targets of seed production assigned to it and to afford necessary credit facilities to other seed growers. The equity and loan capital of the Corporation will be utilised for the establishment of more farms for the production of foundation seed of hybrid maize, jute, vegetables, fodder seeds, as well as, for the production of seeds of the new high-yielding varieties of wheat and rice recently introduced in the country. The Corporation is also required to set up processing plants for drying, cleaning, grading and treating the seeds. Further, it certifies the seeds, produced by private producers, which conform to standards. The work of certification will, however, be transferred to the State Governments as soon as the necessary legislation is enacted.

The National Seeds Corporation also assists the seed producers by leasing out seed processing equipment to them on attractive terms as also by providing necessary technical guidance through its qualified and trained staff who inspect and supervise seed production at various stages to ensure purity and quality. As a result of the Corporation's efforts, 142 farmers have taken to seed production. In addition, 2 Companies, 2 Cooperative Societies and 23 State Government farms are producing seed under the supervision and guidance of the National Seeds Corporation.

Horticulture

For accelerated horticultural development, the Central Government will play a more positive role in the production of nuclear seeds of vegetables, disease-free stock of potatoes and other planting material of horticultural crops and fruit trees. Horticultural research for fruit crops is also to be promoted through centrally operated and financed regional research institutes of horticulture. An outlay of Rs. 15·92 lakhs has been provided in the Central Plan for 1966-67.

Agricultural Research

The Indian Council of Agricultural Research has recently been reorganised. All agricultural research work has been centralised under its control and development activities previously under the charge of this Council have been transferred to the Ministry. Coordinated research dealing with all asptcts of research problems is being taken up. The functions of the central research institutes and research institutes at State and lower levels are being streamlined. Besides coordinated research schemes on different crops, other major schemes to be taken up in 1966-67 are inidcated below:—

(i) **Coordinated Agronomic experiments.**—The scheme proposes to work out crop responses in cultivators' fields in all the major agro-climatic regions of the country and for almost all important crops. For 1966-67, an outlay of Rs. 8 lakhs has been provided.

(ii) **Research in Water Use and Management.**—The objective of this programme is to study the problems of soil and water management in a comprehensive and coordinated manner. It is proposed to organise the programmes of work in the different problem areas in the command of irrigation projects and coordinate the work at the State and national level. Some of the major items of work proposed are: pilot projects in selected command areas and case studies, investigation of correlation of soil test with crop responses, micro nutrients of soils and study on management and evaluation and improvement of soil structure. To begin the work on some of the items for which details have been worked out, a provision of Rs. 10·89 lakhs has been made in 1966-67.

(iii) **Zonal Research and Design Centres in Improved Agricultural Implements.**—It is proposed to organise two Research, Testing and Training Centres for Improved Agricultural Implements. These Zonal Centres will also work on design problems with reference to the soil and crop patterns of the zones. An amount of Rs. 2·81 lakhs has been provided for 1966-67.

(iv) **Indian Agricultural Research Institute.**—The Indian Agricultural Research Institute conducts advanced research and training over the full range of agricultural subjects. The Institute plans to concentrate research effort on more important problems and select areas of research representing the whole cross section and develop a coherent body of research information to meet the country's present and future needs. An outlay of Rs. 18·64 lakhs is proposed for 1966-67.

(v) **Indian Grassland and Fodder Research Institute, Jhansi.**—This Institute will carry out research both of fundamental and applied nature on grasses, grasslands and fodder crops as related to animal nutrition, soil fertility, crop production and soil and water conservation. It will also organise training courses for workers.

During the Third Plan period, an area of 1,421 acres was acquired from the State Livestock-cum-Agricultural Farm, Bharari, for the establishment of the Central Indian Grassland and Fodder Research Institute. Preliminary experimental activities were initiated during 1964-65 after procuring necessary material and equipment. A plant introduction garden has also been maintained. A provision of Rs. 5·06 lakhs has been made for 1966-67. Assistance for the project is to be received from United Nations Special Fund.

Agricultural Education

The new Agricultural Universities are organised on the pattern of Land Grant Colleges of the U.S.A. Their aim is to combine the functions of research, teaching and extension. The new universities have started well and will be expanded in 1966-67, particularly at the postgraduate level. Eight Agricultural Universities including Kalyani University have been established in the country and some of them, notably Punjab, have accomplished the integration of research, teaching and extension to great advantage. These agricultural universities are expected to become effective research arms of the States. It is also proposed to strengthen other agricultural colleges by providing grants for undergraduate and postgraduate courses. Rs. 2·90 crores has been provided for agricultural education in 1966-67.

Plant Protection

Under the Pest Control programme, the role of the Centre is to be strengthened. The responsibility for all aerial spraying will be taken by the Central Government, who are better equipped for the purpose. A nominal charge per acre will continue to be levied. If the area is treated by private firms, subsidy will be granted on the present basis. Expenditure incurred on epidemic control by way of cost of pesticides will be borne by the Centre upto a certain ceiling to be fixed in consultation with each State. When unprecedented occurrence of pest or disease takes place and the magnitude of the epidemic is beyond the normal capacity of the States' financial and technical resources, the Central Government will help the States. Provision is being made in the Central Plan for such contingencies. Certain amount of funds is also earmarked for undertaking spraying on prophylactic basis as a demonstration. Locust control continues to remain Central responsibility in the Scheduled Desert area as earlier. An outlay of Rs. 52·62 lakhs has been provided for plant protection schemes in 1966-67.

Fertilisers and Manures

The Central Government assumes direct responsibility for making adequate supplies of fertilizers available to the States to enable them to reach the high targets envisaged in the Fourth Plan. Indigenous production of nitrogenous fertilisers is still not adequate to meet the total requirements of the country, and for bridging the gap between demand and availability, large-scale imports are necessary and will be arranged by the Central Government. Chemical fertilisers by themselves will not produce optimum results unless efforts are simultaneously made in regard to widespread use of soil conditioners like lime, gypsum, basic, slag, etc. The cost of transport of this bulk material is, however, at present proving a hinderance to their use by the farmers. The Central Government intend to take up schemes to encourage the use of soil conditions and give subsidy for the purpose. An outlay of Rs. 30 lakhs has been made for this scheme in 1966-67. The other scheme proposed is Fertiliser Demonstration and Training. The objective of this scheme is to popularise the use of fertilisers by laying out free demonstrations in the cultivator's fields. During 1966-67 it is proposed to lay approximately 2 lakh demonstrations and an outlay of Rs. 25 lakhs has been provided for this purpose.

Statistics : Improvement of Land Records for Land Reforms

It is proposed to prepare an adequate and uptodate record of tenancies and to adopt measures for proper tenancy inspections in order to verify the details regarding each individual's parcel of land in the village. Financial assistance will be provided by the centre to the States to enable them to appoint the necessary staff for the purpose. A provision of Rs. 20 lakhs has been made in 1966-67 for providing grants-in-aid to States. Fifty per cent of the expenditure by the States would be met by way of Central grant.

Agricultural Extension

The purpose of agricultural extension is to take science to the door of the farmer and, at the same time, to bring the problems experienced in the field to the laboratories and research stations. A large scale programme of agricultural demonstrations has been taken up to meet these ends. Special training courses for farmers and farmers' sons and visits of progressive farmers to Government research and experimental farms have been introduced. Measures for improving the technical competence of Village Level Workers and higher level agricultural extension personnel have been initiated.

In addition to 20 Gramsevak Training Centres upgraded during the Third Five Year Plan, 20 Gramsevak Training Centres would be upgraded during 1966-67. An outlay of Rs. 70·61 lakhs is proposed for 1966-67 for agricultural extension scheme.

Resettlement of Landless Agricultural Labourers

Schemes for resettlement of 2·14 lakh families have been sanctioned. 85,000 families are expected to be resettled by the end of 1965-66. A provision of Rs. 70 lakhs has been made for this scheme in 1966-67. The expenditure during 1965-66 is also expected to be of the order of Rs. 70 lakhs.

Central Mechanised Farm, Suratgarh

The Third Plan included a provision of Rs. 89 lakhs for Animal Husbandry and Horticultural schemes and for building works on the farms. The Animal Husbandry schemes which were started on a pilot basis could not be extended as expected. Progress of building works also continued to be slow due to variety of reasons, *e.g.*, annual floods in river Ghaggar, shortage of building material and poor response from contractors. 439 acres had been put under orchard out of which 229 acres were washed away by Ghaggar floods. Owing to floods which have become an annual feature, it has been decided not to increase the area under orchards.

Central Mechanised Farm, Jetsar

The Central Mechanised Farm, Jetsar was established in November 1963 and actual cultivation operations were started in April 1964. The targets set for the crop year 1965-66 could not be achieved due to non-availability of irrigation supplies. In Kharif 1965, an area of 2,800 acres was sown against the target of 3,000 acres and in Rabi 1965-66, only a small area of 600 acres could be sown as against the target of 3,000 acres due to complete failure of rain.

Exploratory Tubewells Organisation

The Exploratory Tubewells Organisation which started ground water exploration in January 1955 with the technical and financial cooperation of the T.C.M. (now U.S. AID) is responsibile for undertaking this work with a view to finding out the economic availability of ground water in the country for irrigation purposes. The Third Plan target was 300 exploratory bores, against which 201 have been drilled upto the end of January 1966. Of these, only 67 bores yielded enough water for conversion into production tubewells. The slow progress is on account of the fact that during 1964-65 the Exploratory Tubewells Organisation had to divert most of its rigs from exploratory work to Rajasthan for construction of tubewells in the famine affected areas, where they are still engaged in that work. Such bores as yield sufficient discharge of water in the course of exploration, are converted into production tubewells and handed over to the State Governments. The cost is recovered from the State Governments in the form of long term loans.

The programme of work for the Organisation during the Fourth Five Year Plan is being drawn up in consultation with the State Governments and the Geological Survey of India. A provision of Rs. 138·64 lakhs has been made in the Budget for 1966-67. The expenditure during 1965-66 is likely to be of the order of Rs. 132·30 lakhs.

Areas Programme (Ayacut Development in the command of Major and Medium irrigation projects)

In order to ensure speedy and full agricultural benefits from irrigation projects, an Area Programme (Ayacut Development) has been proposed. This programme envisages an integrated approach by using improved agricultural practices in relation to irrigated farming. The programme is also launched into the development of rural industries. The scheme will be treated as Centrally sponsored in 1966-67 with pattern of assistance on 50 : 50 basis. Guide lines for the formation of necessary programmes have been prepared and sent to State Governments. The scheme is intended to cover about two million acres of unutilised irrigation potential during the Fourth Plan. The programme will, as far as possible, be implemented in compact blocks, each covering about 5,000 acres. Experts of the Department of Agriculture have been visiting different States to assist them in the formulation of the schemes, specifying the areas in which the work will be taken up and the various items which will be included in the programme. A provision of Rs. 120 lakhs has been made in the budget for 1966-67.

Animal Husbandry

In the Animal Husbandry sector the Central Plan envisages coordination in the fields of the production and distribution of superior germ plasm, controlling breeding programmes and area programmes for development, undertaking and guiding research of various problems of All-India and Regional importance, drawing up and implementing programmes of disease control, providing specialised training facilities in various branches of animal husbandry, regulation of import and export of livestock and livestock products, adoption of quarantine measures against animal diseases and providing certification facilities in regard to livestock and livestock products.

Certain schemes which are of national importance, such as, Intensive Cattle Development Programmes in the milk sheds of Delhi Milk Scheme, establishment of cattle breeding farms for production of breeding bulls of exotic breeds as well as selected indigenous milch breed of cattle and buffaloes, eradication of Rinderpest disease of cattle, establishment of bacon factories, etc. will be taken up as Centrally sponsored projects.

(i) Intensive Cattle Development Blocks in Milk Shed Areas of Delhi Milk Scheme

This is a new programme envisaged to be taken up in the milk shed areas of Delhi Milk Scheme. Four such blocks, two in Punjab and one each in U.P. and Rajasthan would be set up during 1966-67 for which a sum of Rs. 25 lakhs has been provided.

(ii) Cattle Breeding Farms

It is proposed to establish a few central cattle Breeding Farms during the Fourth Plan. During 1966-67, preliminary arrangements would be made in respect of two such farms for which a provision of Rs. 1 lakh has been provided.

Central Sheep & Wool Research Institute

The project was undertaken in the Third Plan in collaboration with the U.N. Special Fund. The Institute at Malpura and the two Sub-stations at Kulu and Kodaikanal have been started. When fully developed, the Institute will undertake research in fundamentals of sheep husbandry and sheep breeding, techniques, leading to supply of high grade genetical material, tackling of forage problems, sheep raising under intensive agriculture, the study of wool technology in relation to sheep production, the basic aspects of sheep health and education in sheep science. During 1966-67 construction of esential buildings and development of land for raising pastures and forage crops for the sheep is to be undertaken. Arrangements for procurement of sheep for research and breeding purposes are also to be made. An outlay of Rs. 9:14 lakhs has been made for this scheme in 1966-67.

Delhi Milk Scheme

The target of milk procurement by the Delhi Milk Scheme at the end of the Third Plan period was 7,000 maunds or 2·54 lakh litres of milk per day, but is not likely to be reached. It is expected that the Delhi Milk Scheme may be able to procure only about 5,500 mds. (1·99 lakh litres) of milk per day by the end of 1965-66. The target for procurement of milk during the year 1966-67 is 6,500 mds. or 2·36 lakh litres per day. In order to step up the quantity of milk handled per day during 1966-67 it will be necessary to have 3 additional Milk Collection and Chilling Centres and 250 more Milk Depots. An outlay of Rs. 35 lakhs has been made for this scheme in 1966-67.

Pre-Investment Survey of Forest Resources

It is proposed to carry out an aerial survey of an area of 11,500 sq. miles in States, *viz.*, Uttar Pradesh, Punjab, Maharashtra, Madhya Pradesh, Orissa, Andhra Pradesh, Mysore and Kerala and the Union Territory of Himachal Pradesh with assistance from the U.N. Special Fund. The project costs Rs. 131 lakhs, out of which the U.N.S.F. would provide Rs. 42 lakhs in the shape of experts, equipment and fellowships. This scheme would continue for 3½ years. Survey work in the central zone comprising of Maharashrtra, Madhya Pradesh, Andhra Pradesh and Orissa has commenced and an area of about 10,000 sq. miles is proposed to be covered aerially. During 1966-67 this work will be extended to the Northern Zone also. An outlay of Rs. 21·62 lakhs has been made for this scheme in 1966-67.

Plantation of Quick Growing Species

With the rising tempo of economic development the demand for forest raw materials for forest-based industries is rising at a rapid pace. Unless concerted efforts are made to meet the increasing requirements, the gap between supply and demand will widen in the future. With a view to meeting this situation the scheme had been included in the Third Plan with a provision of Rs. 275 lakhs for covering an additional area of 1·37 lakh acres all over the country. There is considerable scope for stepping up this programme in the Fourth Plan. For 1966-67, a provision of Rs. 252 lakhs has been made.

Agro Industries Corporations

In modernisation of Agriculture and adoption of improved agricultural techniques it has become necessary to place greater reliance on the products of industries, such as, tractors and power tillers, diesel engines, pumps, pesticides and plant protection equipment, fertilisers, etc. To meet the requirements of these industrial products fully and to coordinate their supply with the demand in agricultural operations it has been decided that the necessary institutional arrangements be made through the setting up of Agro Industries Corporations. Accordingly, the State Governments have been advised to set up Agro-Industries Corporations in the public sector with Central participation in the equity share capital. The functions of these Corporations would be to purchase, distribute and manufacture various agricultural machinery, implements and other products to meet the demands of the cultivators. The Government of India will participate in the equity capital of the Corporations to the extent of 50%. A provision of Rs. 25 lakhs in the Revised Estimates for 1965-66 and Rs. 100 lakhs in the Budget for 1966-67 has been made. The Governments of Maharashtra, Andhra Pradesh, Madras and Bihar have drawn up their schemes and are now going ahead with the establishment of these Corporations. The proposal is under consideration of other States also.

Soil Conservation in the Water sheds of River Valley Projects

The object of the scheme is to undertake soil and water conservation measures in the water-sheds of River Valley Projects and to effect reduction in the rate of sedimentation in the reservoirs and thereby increasing their life. In the Third Plan, work was initiated in the water sheds of 13 projects with an outlay of Rs. 11 crores. About 7·20 lakh acres have been treated with various soil conservation measures like contour bunding, afforestation, pasture development, terracing, etc. During 1966-67 two lakh acres are proposed to be treated with different soil conservation measures for which an outlay of Rs. 2·90 crores has been provided.

All India Soil and Land Use Survey

Under this scheme it is proposed to carry out detailed and reconnaissance soil surveys for soil correlation and land use capability classification. Priority for exploration of soil potential has been given to the area in the catchment of major River Valley Projects, I.A.D.P., I.A.A. and other specified areas for better exploitation of soil potential. An outlay of Rs. 26·85 lakhs has been provided for 1966-67 and 4·5 to 5 million acres are expected to be surveyed during the year.

DEPARTMENT OF FOOD

Storage and Warehousing

The storage and warehousing programme comprises of contruction of storage capacity for meeting (a) storage requirements in the procurement areas together with buffer storage needs at major consumption and distribution centres; and (b) requirements of silos and bulk handling equipment at major ports. The first silo which is under construction for Kandla will have a capacity of 50,000 tonnes.

During 1965-66 the Food Department will have an additional constructed capacity of 1·53 lakh tonnes, making a total of 21·10 lakh tonnes. The Central Warehousing Corporation will have an additional constructed capacity of 28,335 tonnes, making a total capacity of 1·34 lakh tonnes of owned capacity. In addition, a total capacity of 4·87 lakh tonnes in Madras and Andhra Pradesh taken on priority basis will also be ready.

During 1966-67 it is expected to increase capacity by a further 3·25 lakh tonnes.

SUBSIDIARY FOODS

(i) U.N.I.C.E.F.

Assisted groundnut flour.—The objective of the project is to salvage for human consumption valuable protein from groundnut resulting as a by-product of the vegetable oil industry. Two pilot units of capacity 3,000 tons each per annum for the production of edible groundnut flour (containing 50% protein) have been established with UNICEF assistance in collaboration with private oil industry. These units will demonstrate the feasibility, standardised techniques and economics of production and assist in establishing a consumption pattern for a large programme to exploit the potential of over two million tons of edible groundnut flour. An outlay of Rs. 10 lakhs has been made for this project in 1966-67.

(ii) Establishment of Institutes of Catering Technology and Applied Nutrition at Bombay, Madras, Calcutta and Delhi.

This project is designed to develop four Institutes of catering, Technology and Applied nutrition, which would train technical personnel in the field of food utilisation and management hygiene and related aspects. The four Institutes established are at Bombay, Calcutta, Madras and Delhi. All of them have commenced functioning. An outlay of Rs. 26·50 lakhs has been made for this project in 1966-67.

(iii) Mobile Food and Nutrition Extension Service

The project aims at launching a food and nutrition education and extension service aided by a fleet of properly equipped and staffed mobile units, which will promote suitable dietary habits, disseminate information on nutrition and scientific method of cookery and spread the message of food preservation. Four such units set up by the Food Department are in operation. A similar unit has also been developed in Uttar Pradesh in collaboration with the State Government. The U.K. 'Save the children fund' have agreed to donate under the FAO Freedom From Hunger Campaign, ten equipped vans for strengthening the Mobile Food and Nutrition Extension service. The objective is to develop progressively a fleet of such units. An outlay of Rs. 3·50 lakhs has been provided for this project in 1966-67.

(iv) Modern Rice Mill Project

On the basis of the recommendations of the Ford Foundation, a pilot study and evaluation programme has been taken up, which is concerned with assessing the increase in out-turn of rice from paddy by the application of modern technological development in rice processing and milling. To begin with, seven modern rice milling units of different types and capacities have been purchased from West Germany and Japan and are being installed at Trivarur, Mandya, Tadepalligudem, Raipur, Memari (Burdwan), Bikramganj and Bargarh. The extension of modern technology in this field is estimated to increase the total yield of rice by 8 to 10 per cent. Six of the seven mills are being set up in cooperative sector and one in public sector. The equipments have already arrived in India and taken to the sites. Five of the mills have since been erected and trial running is in progress, while the remaining two are in various stages of erection. An outlay of Rs. 20 lakhs has been provided for this project in 1966-67.

(v) Modern Bakery Project

A project for setting up 6 modern automatic bakeries of capacity ½ to 1 ton per hour, for the production of low cost bread and other bakery products, has been taken up by the Food Department. Most of the equipment is being supplied by Australian Government as a free gift under Colombo Plan. The units are to be set up in public sector and are also expected to assist Government in controlling the price of bread. An outlay of Rs. 45 lakhs has been provided for this project in 1966-67.

(vi) Setting up of Craft Centres

Plans are in hand to establish 14 Food Polytechnics in different parts of the country, which will impart training in various food crafts, such as, bakery and confectionery, cookery, restaurant and counter service, hotel reception and book-keeping. These food polytechnics will serve as modern central kitchens for school-meal programmes and will help to popularist the use of inexpensive and nutritive articles. An outlay of Rs. 15 lakhs has been provided for this project in 1966-67.

FISHERIES

(i) Landing and Berthing at Major and Minor Ports

Development of fishing harbours is essential for large scale development of marine fisheries. For this purpose, construction of 10 fishing harbours in 10 major ports has been taken up. Pre-investment surveys were sanctioned to be undertaken during 1965-66 and a provision of Rs. 9·00 lakhs has been made for expenditure on such surveys. The estimated expenditure to be incurred on the construction of these harbours during 1966-67 is Rs. 40·00 lakhs. Another sum of Rs. 20·00 lakhs has been provided for development of fishing harbours at minor ports, as a Centrally sponsored scheme. At present there are 32 minor ports where fishing harbours are to be provided.

(ii) Construction of refrigerated rail vans

During the Third Plan, 20 additional vans were proposed to be constructed. However, only 3 vans are likely to be completed by the end of the Plan at an estimated cost of Rs. 10·36 lakhs. A provision of Rs. 10·50 lakhs has been made for construction of additional 3 vans during 1966-67.

(iii) C.I.F.R.I., C.I.F.T. and C.M.F.R.I.

There are 3 Research Stations and the budget provision for these Stations under Plan for 1966-67 is for extension of the Research activities. A research vessel is also proposed to be procured at an estimated cost of Rs. 15·00 lakhs.

(iv) C.I.F.E. and C.I.F.O.

Two training Institutes were set up during the Third Plan. The budget provision for 1966-67 is for expansion of their activities. The budget estimates includes provision for buildings for C.I.F.E. (Rs. 13·25 lakhs) and part of the cost of a training vessel (Rs. 5·00 lakhs).

(v) Deep Sea Fishing Organisation

This is a continuing activity. It was proposed to procure 20 additional fishing vessels during the Third Plan. Due to foreign exchange difficulties only one vessel was procured during 1965-66. It is proposed to obtain 14 new vessels during 1966-67—12 against credit facilities and 2 from indigenous manufacturers.

(vi) Indo-Norwegian Project

This Project had been established under an agreement between the Government of Norway, Government of India and the U.N. (in 1952). Three supplementary agreements were subsequently signed extending the quantum of aid and the area of operation. The Project now functions in Madras, Mysore and Kerala. The third supplementary agreement will expire in November, 1966 and negotiations for its extension are under way. The budget provision is to cover rupee expenditure on the Project which under the agreement is the liability of the Government of India. Total aid so far received exceeds Rs. 400 lakhs and rupee expenditure on the project upto the end of the Third Five Year Plan is likely to be Rs. 100 lakhs.

(vii) Pilot Schemes for development projects

This is a new scheme proposed to be started during the Fourth Plan. It has been considered necessary to initiate Pilot projects in Centres where scope for development on a commercial basis exists, but has to be demonstrated to the fisheries cooperatives and private industry. Twelve fishing vessels are proposed to be procured during 1966-67.

FISHERIES

Scheme-wise outlays approved for Central and Centrally Sponsored Schemes for 1966-67 along with corresponding expenditure in 1965-66.

(Rs. in lakhs)

Sponsored Schemes	Anticipated expenditure during 1965-66	Approved for 1966-67	
1. Landing and berthing facilities at major and minor ports	9·00	60·00	{40·00 for Major ports {20·00 for Minor ports
2. Construction of refrigerated Rail Vans.	6·00	14·50*	*Includes Rs. 4 lakhs as spillover expenditure.
3. Central Inland Fisheries Research Institute, Barrackpore	8·31	5·85	
4. Central Marine Fisheries Research Institute, Mandapam Camp	5·75	19·48	
5. Central Institute of fisheries Technology Ernakulam .	9·45	5·15	
6. Central Institute of fisheries education, Bombay . .	10·14	24·65	
7. Central Institute of fisheries operations, Ernakulam .	4·37	6·70	
8. Deep Sea Fishing Organisation including Harbour Wing	10·23	42·10	
9. Indo-Norwegian Project (one centre) . . .	35·08	39·13	
10. Pilot Schemes for development projects (New Scheme)	..	50·00	
TOTAL	98·33	267·56	

DEPARTMENT OF COOPERATION

Cooperative Training and Education

The National Cooperative College and Research Institute, Poona conducts orientation courses for senior officers of the Cooperative Departments and Institutions and has a nucleus staff for conducting research and special studies in cooperation. In view of the long felt need for a top level apex institute which would impart training in business management and conduct research, it is planned in 1966-67 to combine the National Cooperative College and Research Institute and the Central Institute of Consumers Managements to form the nucleus of an Apex Institute on Cooperative Management.

There are at present 13 cooperative training centres where intermediate personnel of cooperative departments and institutions are trained. These centres will continue in 1966-67.

The National Cooperative Union of India is in overall charge of supervision and co-ordination of the Member-education programme which is implemented in the States by the State Cooperative Unions

Urban Consumers' Cooperatives

The scheme intends to cater for all cities and towns with a population exceeding 50,000 by supplying essential consumer articles at equitable prices to the urban population. By the end of the third Plan, there will be 250 wholesale stores and 7,500 primary units/branches. The programme for 1966-67 envisages the setting up of another 46 wholesale stores and 1,035 primary units/branches. It also includes provision for processing units in the consumers' cooperative sector, and for establishing State Federations wherever they have not been set up by the end of Third Plan.

Distribution of consumers' articles in rural areas

Along with the scheme of consumers' stores in urban areas, the scheme of consumer service in rural areas will be continued in 1966-67. Consumer articles worth Rs. 100 crores are likely to be distributed in the rural areas in the last year of the Third Plan. Under this scheme, the marketing societies will be assisted with subsidy towards the cost of additional staff employed by them for running the scheme.

Co-operative Farming Scheme

Based on the recommendations of the Gadgil Committee on Co-operative Farming, it is proposed to set up more societies in 1966-67 for which a provision of Rs 71·00 lakhs has been made.

In the Third Plan, a sum of Rs. 1·00 crore had been earmarked for assisting schemes of development in *gramdan* and *bhoodan* areas. Apart from cooperative farming societies and service cooperative organised in *gramdan* and *bhoodan* areas, in states where *gramdan* legislation had been enacted, financial assistance will be provided through the State Governments to the *gram sabhas* concerned directly. A provision of Rs. 16.00 lakhs is proposed for 1966-67. In addition to this, assistance will also be provided to cooperative farming societies organized in special project areas.

Additional Assistance to Eastern States

The pace of cooperative development during the last plan periods has been uneven in different parts of the country and in particular, the cooperative structure in the eastern region needs special assistance. During the Third Plan, an outlay of Rs. one crore was provided for special assistance to the Eastern States for their programmes of cooperative credit, marketing and processing. It is proposed to continue this assistance to the Eastern States and extend it to Rajasthan also during 1966-67. The position is to be reviewed thereafter. An outlay of Rs. 25 lakhs has been provided for this purpose.

Agricultural Credit Stabilisation Fund

A new scheme has been included in the Central sector for the Fourth Plan for promotion of cooperative credit by building up the credit stabilisation fund at the level of apex cooperative banks partly from the internal resources of the cooperatives and partly from Government assistance. The object of the scheme is to afford relief to the cultivators who are unable to repay their loans due to crop failure arising from widely-spread natural calamities, by converting their short-term loans into medium-term loans so that they will become eligible for a fresh short-term loan for production purposes. A provision of Rs. 441·50 lakhs has been made in the budget for 1966-67 to be advanced as loans to six States *viz.*, Andhra Pradesh, Maharashtra, Gujarat, Mysore, Madhya Pradesh and Rajasthan who will pass on the assistance to the State cooperative banks.

Large-sized processing units

A new scheme included in the Central sector relates to assistance to be provided for larger cooperative processing units (other than sugar factories and cotton spinning mills), *e.g.*, solvent extraction plants, bigger fruit processing units etc., where the capital cost of each unit exceeds Rs. 20 lakhs. Experience in the Third Five Year Plan has shown that the State Governments find it difficult to accommodate the outlay on such units within the State Plan ceilings or they accord low priorities to such schemes, with the result that the growth has been haphazard in this sector. In view of the need for building up a significant cooperative processing sector, a provision of Rs. 45 lakhs has been made for 1966-67 to provide assistance to the State Governments for setting up large-sized processing units which are export oriented.

The likely expenditure in 1965-66 and the plan allocation for 1966-67 in respect of Central and Centrally sponsored schemes is given below:—

(Rs. lakhs)

Sl. No.	Name of the Scheme	Likely expenditure in 1965-66 (R.E.)	Budget provision for 1966-67
1	2	3	4
1	Co-operative Training and Education	34·00	34·75
2	Urban Consumers' Co-operative Stores	132·00	161·00
3	Distribution of consumer articles in rural areas	12·00	13·00
4	(a) Co-operative Farming Schemes (Central share only) . . .	95·00	71·00
	(b) Co-operative Farming in *Gramdan* areas	16·00	16·00
	(c) Co-operative Farming in special areas (in the Tungabhadra Project area)	0·30	5·50
5	Additional assistance to Eastern States	20·00	25·00
6	Agricultural Credit Stabilisation Fund (New Scheme)	..	441·50
7	Large-sized processing units other than co-operative sugar factories. (New Scheme) . .	..	45·00
	TOTAL . .	309·30	812·75

DEPARTMENT OF COMMUNITY DEVELOPMENT

Research through Universities

The National Institute of Community Development undertakes research of both fundamental and applied nature through its own agencies as well as through Universities and Training Centres. Besides other agencies, an Indian Institute of Public Opinion, All India Panchayat Parishad, etc. have also been entrusted with research work. The research is of an expanding nature. The result of research conducted through the National Institute of Community Development has been able to eliminate problems as well as difficulties involved in the process of development and has suggested necessary changes in programmes and policies of rural development.

Planning, Research and Action Institute, Lucknow

The Planning, Research and Action Institute was started by Government of Uttar Pradesh with financial assistance from Rockefeller Foundation. After the Foundation's assistance was stopped, the State Government have been running the scheme through their own resources and an annual grant not exceeding Rs. 2·5 lakhs is being given by Government of India since 1957-58. The assistance would continue on the same basis

Orientation and Village School Teachers

This scheme was started in 1958-59 with the assistance of Ford Foundation. To start with, training was provided to school teachers through peripatetic parties. It has been decided that similar training should be given to teacher-educators at the higher secondary school level.

Higher Training for village level workers

This scheme is intended to give scholarships for higher education to selected village level workers in Agriculture and Veterinary Colleges and Rural Institutes. The provision of funds is being made to give scholarships to the Gram Sevaks for two/three years. It is also intended to pay them the differences between their basic pay and allowances and study leave salary during the period of their deputation for higher study.

Training of Youth and Women Workers

The provision has been made for two schemes, *viz.,* Training of Associate Women Workers and Training of Youth Workers in Rural Areas. The former scheme envisages a 30 day course for members of the Mahila Mandals. The training is held mostly in Gram Sevika Training Centres. The other schemes is for training youth workers. This training is for 12 days and is imparted to members of the Yuvak Mandals. It was hitherto financed by the Ford Foundation but from 1966-67 onwards Central Government will bear the liability.

Basic Literature Scheme

Books are supplied to Gram Sahayaks, Sarpanches, Pradhans and other gross root workers through village level workers and/or approved rural libraries.

Literature for non-officials associated with Panchayati Raj

Under this scheme financial assistance at the rate of 50 per cent and in special cases 100 per cent is given to the States and Union Territories for bringing out selected books on Community Development, Panchayati Raj, and Cooperation in regional languages.

Prize competition scheme for the best village level worker/village/gram sevaks

These schemes have been launched with the intent of providing incentives for increased agricultural production.

Panchayati Raj Training Centres

127 Panchayati Raj Training Centres were opened during the Third Plan period and it is proposed to raise the number to 300 in Fourth Plan period. It has been decided to retain this as a Centrally sponsored scheme for 1966-67 pending the receipt of the findings of a special committee set up to evaluate the working of these institutions. As such, no new centres are to be opened in 1966-67.

Applied Nutrition Programme

The main production components of the programme are horticulture, fisheries and poultry. To the extent that resources of the plan schemes under these heads are drawn upon for the promotion of the programme, it would attract Central assistance admissible under those individual schemes. It has, however, been the experience that there are a few elements in the programme which though essential for its development do not normally form part of the regular plan schemes. Installation of wells and pumping sets in school gardens, assistance to small scale poultry units to be run by schools or associate organisations or assistance to mahila mandals for the purchase of equipment and accessories necessary for the feeding programme are cases in point. It has, therefore, been decided to give special Central assistance for these elements of the programme. For 1966-67, a budget provision of Rs. 25 lakhs which represents the Central share, has been made.

A Statement showing the anticipated expenditure during 1965-66 and outlay approved for 1966-67 for Central and Centrally sponsored schemes is given below :—

(Rs. lakhs)

Sl. No.	Name of the Scheme	Anticipated expenditure for 1965-66	Budget provisions 1966-67
	CENTRAL SCHEMES		
1	Research through Universities . . .	2·80	2·80
2	Planning, Research & Action Institute, Lucknow . .	2·50	2·50
3	Orientation & Village School Teachers . . .	2·00	2·00
4	Higher Training for Village Level Workers . .	4·65	1·30*
5	Training of Youth and Women Workers . . .	5·00	6·00
6	Basic Literature Scheme	0·41	1·50
7	Literature for non-officials associated with Panchayati Raj	1·25	1·25
8	Prize competition scheme for the best village level worker/ Village/Gram Sevikas	1·00	1·00
	CENTRALLY SPONSORED SCHEMES		
9	Panchayati Raj Training Centres	40·00	25·00
10	Training of Panchayat Secretaries	4·00	0·70**
11	Training reserve	2·00	0·40**
12	Applied Nutrition Programme . . .	..	25·00†
	TOTAL	65·61	69·45

*For earlier payments.

**Deferred during 1966-67 in view of the present emergency. The provision made is to meet arrears claims.

†New schemes in the Fourth Plan.

STATES' SECTOR

Agricultural production is a State responsibility and, as such it is vital that adequate outlays are provided for agricultural programmes in the Annual Plans of the States in keeping with the physical possibilities in each State and the technical and administrative arrangements for planning and implementation of agricultural programmes at various levels. As between various sectors of agricultural development, a higher priority has to be given to productive and quick yielding programmes. Relative priorities have, therefore, to be fixed on the basis of expected contribution to agricultural production and financial provision made accordingly.

The Agricultural Plan in a State has to be visualised not in terms of fragmentary and individual schemes but as a coordinated and integrated programme, including a number of inter-connected schemes.

The main features of 1966-67 Plan in the States sector will be to maximise extension in the area under cultivation through multiple cropping and elimination of current fallows, optimum utilisation of the existing irrigation facilities and introduction of highly fertiliser responsive varieties and application of package of practices on these varieties in highly potential areas. Taking all these facts into consideration, the outlays, programme targets and production goals for 1966-67 for each State have been determined in consultation with the State Governments.

Since there are a large number of schemes in the Agriculture Sector of the State Plans and their nature also varies from State to State, it is not intended, in this document, to describe individual schemes. Brief descriptions of the main programmes for 1966-67 are, however, given in the following paragraphs. The statements enclosed indicate the progress of these programmes during the Third Plan period along with the targets for 1966-67.

Agricultural production

An outlay of Rs. 70 crores has been provided for agricultural production programmes in the Annual Plan of States and Union Territories in 1966-67 against the anticipated expenditure of Rs. 62 crores in the current year.

Improved Seeds

A comprehensive and integrated programme would be drawn up by the State Governments to deal with all aspects of multiplication and distribution of improved seeds, viz., production of nucleus seeds of duly approved varieties, multiplication of foundation seeds under expert guidance on well-organised seed farms, drying, treatment, packing, storage and handling of foundation seed, arrangements for further multiplication by registered seed growers or on Government farms, testing of improved seeds for germination and purity, treatment against pests and diseases, creation of a suitable structure for procurement and distribution among cultivators, arrangements for financing of various operations and provision of credit. The number of seed villages will be increased as far as possible in I.A.D.P. and I.A.A. districts. Wherever existing farms are considered to be redundant, they will be given up and efforts are to be concentrated on developing such farms which are to be retained by providing necessary facilities. Emphasis is also being laid on the establishment of large-sized seed farms wherever feasible in different States. The State Governments have also been requested to set up Seed Corporations for organising production, certification and distribution of improved seeds.

Besides the normal efforts for introducing improved varieties of seeds, an important part of the programme will be to use high yielding fertiliser responsive seeds, such as, Taichung Native-I and Taiwan 3 for paddy and dwarf Mexican wheat and hybrid varieties of maize, jowar and bajra. The details of this programme are being worked out in consultation with the States. It is intended to take up these varieties in most potential areas and to meet their full requirements of fertilisers, irrigation, plant protection and credit, etc. This approach is likely to considerably quicken the pace of Agricultural production.

A target of 137·4 million acres of area under foodgrains to be covered by improved seeds has been fixed for 1966-67 against the level of 119·6 million acres anticipated at the end of Third Plan.

Manures and Fertilisers

Development of local manurial resources will be given top-most priority in view of the general shortage of fertilisers. The State Governments have also been requested to examine the possibility of introducing integrated projects for utilisation of night soil, urban waste, carcasses, etc. as manure. Targets of 4·2 million tonnes of urban compost, 139 million tonnes of rural compost and 26·2 million acres of green manuring have been fixed against the corresponding anticipated achievements of 3·4 million tonnes, 123·6 million tonnes and 21·5 million acres in 1965-66. Arrangements will be made to produce green manure seeds locally, and facilities for necessary space near the villages for rural compost will be provided.

The targets of 10 lakh tonnes of nitrogen and 3·7 lakh tonnes of P_2O fixed for 1966-67 are broadly the same as recommended by the Committee on Fertilisers. The anticipated achievements in this regard during the current year are 6 lakh tonnes of nitrogen and 2 lakh tonnes of P_2O_5

Steps will be taken to provide sufficient number of godowns at convenient points within the easy reach of the cultivators for storage of fertilisers so that they may be made available at the right time and in requisite quantities. Also, the arrangements for distribution of fertilisers are to be streamlined in such a manner that they reach the storage/godowns well before the time of application. Further, provision will be made for demonstration of new fertilisers on a larger scale and supply of fertilisers in the form of mixtures as far as possible.

Plant Protection

The State Governments have been requested to organise mobile plant protection squads. Plant protection measures are to be taken up on a large scale to cover compact areas at the appropriate time, on a campaign basis, in cooperation with the farmers as far as possible and compulsorily if necessary, under the Pest Act and recovering the cost at subsidised rates. The requirements of pesticides would be given high priority in the allocation of foreign exchange. At the same time, every attempt would be made to step up indigenous production of pesticides so that foreign exchange requirements are reduced to the extent possible.

The target of area to be covered by plant protection measures is fixed at 63 million acres in 1966-67 against the anticipated achievement of 41 million acres in 1965-66.

Improved Implements

The programme of improved implements in the States has not been given due importance in the past. But, in the Annual Plan for 1966-67, care has been taken to see that adequate allocations are made for this programme in different States. The Agriculture Engineering Sections will be adequately strengthened at the block, district and State levels. Greater attention will be given to research-cum-testing centres so that the designing and testing of implements does not suffer. Further, more attention will be devoted to inspection and quality marking scheme and supply of raw materials.

Ayacut Development Programmes

For proper utilisation of irrigation potential, the need for taking immediate measures for the development of Ayacut of major irrigation projects has been emphasised to State Governments. These measures include land levelling, introduction of appropriate cropping pattern, organising of demonstrations, provision of supplies, credit and marketing facilities and organisation of extension services. The State Governments have been asked to examine the Ayacut of each project and the list of measures necessary for its development. Necessary provision for this programme has been included in the State Plans for 1966-67.

Crop rotation or taking up more than one crop

It has been found that in the wheat growing areas, the land is left fallow in Kharif. In paddy growing areas, because of the late harvesting of paddy crop, a second wheat crop becomes impossible. Now that short duration varieties have been evolved, these problems can be tackled by suitable crop introduction. The State Governments have been asked to take up the cultivation of more than one crop in a year in irrigated areas. The Central Government would help by making available technical information and supplies of new seeds. Financial provision, wherever necessary, has been made in the Annual Plans for the next year.

Minor Irrigation

The Third Plan target of minor irrigation programme was fixed at 12·8 million acres, which is likely to be slightly exceeded. For accelerating this programme, additional outlays over and above the approved outlays in the Annual Plans have been provided to different States since the year 1962-63. During 1965-66, an additional outlay of nearly Rs. 15·85 crores has been sanctioned for this programme.

This programme is expected to benefit an area of 3·4 million acres in 1966-67; 1/3rd of this target is accounted for in Uttar Pradesh alone. An outlay of Rs. 86 crores has been provided for this programme in 1966-67 against the anticipated expenditure of Rs. 76 crores in 1965-66. To the extent any additional outlays are required for achieving the target of 3·4 million acres, the same will be provided during the course of 1966-67.

Increasing emphasis will be laid on the schemes which aim at ground water development, such as, dug-wells, tubewells, pumpsets, etc. In conjunction with major-medium irrigation schemes they provide useful supplementary irrigation when supplies in the canal system are inadequate. They also help in preventing the hazards of water logging and salinisation by controlling the water table. For proper planning and accelerated implementation of these schemes, the State Governments have been urged to take up the following important measures so that outlay incurred on them brings in quick and effective benefits: (a) Undertaking a quick groundwater survey for collection of basic data; (b) making adequate arrangements for systematic boring/deepening of wells for augmenting their discharges; (c) excercising proper choice in the installation of suitable mechanical appliances on dugwells for lifting water; (d) building up of adequate technical organisation for giving advice to cultivators on groundwater schemes; (e) advance planning and coordinated implementation of various phases of groundwater schemes; and (f) undertaking simultaneously programme for intensive cultivation on scientific lines.

Special care will be taken to integrate minor irrigation and rural electrification programme. The areas for intensive development of lift irrigation will be selected jointly by the authorities concerned with the programmes and maps showing the clusters of tubewells, filter-points and pumpsets and transmission lines for electric connections are to be drawn up. An outlay of Rs. 44 crores has been provided in the State Plans under the Irrigation and Power Sector, which will be utilised for energising more than one lakh pumpsets and tubewells in different States in 1966-67.

Adequate attention will be given to the proper maintenance of completed minor irrigation works.

Soil Conservation

An outlay of Rs. 25 crores has been provided for soil conservation programme in 1966-67 against the anticipated expenditure of Rs. 23 crores in 1965-66. This programme will be taken up on watershed basis and will cover not only soil erosion but also other factors associated with proper soil and water management including field drainage, sediment control, flood prevention, afforestation and pasture management and reclamation of saline and alkaline lands. The soil and land use survey would be an essential pre-requisite for the soil conservation programme. Priority will be given to those projects which are likely to yield quicker results and which have greater potential for production. Keeping this objective in view, the soil conservation work in the watersheds or river valley projects would be continued mainly in the existing projects and the agricultural areas would be taken up for treatment in the first instance.

With regard to stabilisation of ravine lands, major emphasis would be given to the treatment and protection of agriculturally productive table lands and stabilisation of marginal lands. As regards reclamation of saline, alkaline and water logged lands, work would be taken up only on easily reclaimable areas as would be justified by economic and practical considerations determined through soil and hydrological surveys.

For effective planning and implementation of soil conservation programme in a composite and comprehensive way, it would be necessary to have adequate technical organisation at State, Regional and Central levels. Emphasis is, therefore, being laid on the training of staff in the various disciplines of soil conservation.

Forestry Development

An outlay of Rs. 13·50 crores has been provided for this programme in 1966-67. Besides continuing the forest schemes of the Third Plan, emphasis will be laid on economic plantations and plantations of quick-growing species to meet the acute shortage of forest raw materials for the wood-based industries, especially paper and pulpwood. It is also proposed to give high priority to construction and maintenance of forest roads. This will itself bring down the cost of extraction of timber. Greater emphasis would also be given to the intensification of forest management.

In addition, forest statistical divisions and Planning cells in the Forest Departments, both at the Centre and in the States will be started in order to have accurate forestry statistics. Adequate arrangemens to train the forestry personnel by expanding the capacity of the existing institutions and by starting a few new institutions would also be made.

Animal Husbandry

An outlay of Rs. 14·7 crores has been provided for this programme in 1966-67 against the anticipated expenditure of Rs. 14·5 crores in 1965-66. Emphasis will be laid on the establishment of intensive cattle development blocks in the milk-shed areas of large dairy schemes and in the important cattle breeding tracts, supported by the feed and fodder development. Similarly key village blocks would be set up in the milk-shed areas of smaller dairy plants. The existing cattle breeding farms would be suitably expanded to meet the requirements of bulls. The establishment of fodder seed production farms will be initiated so that fodder development programmes could be implemented successfully.

The expansion of existing sheep and wool extension centres and sheep breeding farms would be given high priority so as to increase the production of wool. Large-scale wool grading centres would be established to salvage larger proportion of fine wool in order to reduce the drain on foreign exchange. Efforts would be made to establish intensive egg and poultry production-cum-marketing centres to increase production of eggs and poultry meat for defence as well as civilian consumption. Piggery development programmes have been recommended for rapid production of animal proteins.

A new schemes for the establishment of clinical and investigation laboratories at important district headquarters would be taken up in the different States.

Dairying and Milk Supply

An outlay of Rs. 9 crores has been provided for this programme in 1966-67 against the anticipated expenditure of Rs. 8 crores in 1965-66. During the year 1966-67 steps would be taken to complete the spill-over milk schemes besides the expansion of existing ones. In addition, work would be initiated to set up new milk plants at some important places. A few large dairy product factories would be taken up in areas offering good potential for increasing milk production, besides the expansion of existing plants. A new scheme, *viz.*, Rural Dairying Centres each with a capacity of 500—2,000 litres would be started to cater the needs of smaller towns.

Fisheries

An outlay of Rs. 8·9 crores has been provided for this programme in 1966-67 against the anticipated expenditure of Rs. 7·9 crores is 1965-66. As in the current plan, emphasis would be to mechanise as many fishing crafts as possible during 1966-67 so as to help in increasing fish production. To increase the marine catch, landing and berthing facilities at different ports would be improved, boat building yards established and existing ones expanded. Ice and cold storage plants would be set up on priority basis.

Fish nurseries and fish farms would be established to undertake increased supply of fish seed to pisciculturists. Steps would be taken to intensify pisciculture in reservoirs, lakes, ponds, etc. Transport and marketing facilities would be further developed. Training programmes being essential in all aspects of production schemes would be suitably expanded.

Cooperation

In the State Plans for co-operative development in 1966-67, provisions have been made for managerial subsidy to selected primary credit societies, contribution to the share-capital of co-operative marketing and processing societies, granting loans and subsidies for construction of godowns by co-operative marketing societies, and subsidy for meeting the cost of additional staff employed by co-operative departments and co-operative institutions and continuation of the schemes for training of personnel.

Some of the important aspects requiring attention in the co-operative development plans for 1966-67 may be recapitulated. Firstly, the high priority accorded to agricultural production will require full support from co-operative institutions. In particular, the operational efficiency of the co-operative banking structure at all levels will have to be improved and a determined attempt made to follow the crop loan system, *i.e.* a system of granting loans on the basis of the requirements of each type of crops, subject to the repaying capacity of the borrower instead of the present rigid system based on landed security. Secondly, the creation of viable units at the primary level should receive full attention and the schemes for liquidation of moribund societies and revitalization of existing societies should be carried out speedily. Thirdly, co-operative marketing and processing should be strengthened so that credit is effectively linked to marketing Fourthly, schemes for training of personnel have to be pursued vigorously.

An outlay of Rs. 13 crores has been provided for cooperation in the Annual Plans of States and Union Territories for 1966-67.

A statement showing likely achievement of important physical targets at the end of 1965-66 and targets for 1966-67 is given below:—

	Third Plan Target	Third Plan Likely achievement by the end of 1965-66	Target for 1966-67
I. Credit :			
(a) Short and medium-term credit disbursed by primary agricultural credit societies. (Rs. crores) . . .	512·00	400·00	450·00
(b) Membership of primary agricultural credit societies (in millions) . .	37·00	30·00	32·50
(c) Long-term credit (Outstandings) (Rs. crores)	150·00	150·00	44·00*
II. Marketing, Storage and Processing :			
(a) No. of primary marketing societies .	544	520	20 (addl.)
(b) Rural Godowns	9200	6600 **	500@ (addl.)
(c) Processing units other than sugar factories	783	976	90 (addl.)
III. Co-operative Farming (Pilot and non-Pilot Society) :	3180 (Pilot)	6000 Pilot and (non-Pilot)	700 (addl.)
IV. Cooperative Training & Education:			
(a) Subordinate training schools (New) .	11	11	..
(b) Per patetic parties	1300	600	100 (addl.)

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*Fresh advances.

**Excluding godowns under crash programme.

@Including mandi level godowns.

Annual Plan

Distribution of Outlay by Heads of Deve-

Heads	Andhra Pradesh	Assam	Bihar	Gujarat	Jammu & Kashmir	Kerala	Madhya Pradesh
1	2	3	4	5	6	7	8
Agricultural Production .	3·96	2·49	6·20	3·20	1·27	4·73	5·90
Minor Irrigation . .	6·41	1·35	7·17	0·60	2·30	6·50	6·50
Soil Conservation .	0·81	0·10	0·42	2·71	0·28	0·38	1·98
Animal Husbandry .	0·54	0·36	1·12	0·99	0·40	0·49	1·30
Dairying & Milk Supply	0·76	0·13	0·44	1·01	0·18	0·20	0·32
Forest . . .	0·32	0·21	0·58	0·70	0·35	0·75	0·59
Fisheries . . .	0·50	0·11	0·45	0·77	0·06	1·39	0·20
Warehousing & Marketing	0·06	0·04	0·09	0·29	..	0·10	0·09
Area Programme for Irrigation Projects . .	1·64	0·01	..	0·30	..	..	..
Agricultural Programmes .	15·00	4·80	15·75	14·14	3·14	10·34	17·98
Cooperation . . .	0·88	0·31	0·51	0·84	0·15	0·32	1·61
Community Development	2·00	1·56	3·00	1·81	0·68	1·41	2·25
Panchayats	..	0·05	0·07	0·13	0·11	0·05	0·25
Community Development & Cooperation . .	2·88	1·92	3·58	2·78	0·94	1·78	4·11

1966-67

lopment—States

(Rs. crores)

Madras	Maha-rashtra	Mysore	Orissa	Punjab	Rajas-than	Uttar Pradesh	West Bengal	Naga-land	Total
9	10	11	12	13	14	15	16	17	18
3·88	7·00	3·24	4·02	4·37	2·73	7·72	6·00	0·28	6·99
7·64	9·50	6·20	2·80	3·25	3·25	21·30	4·00	0·07	84·89
1·10	9·93	1·00	0·47	1·60	0·58	2·46	0·65	0·09	4·66
1·24	1·58	0·60	1·03	0·80	0·58	1·60	0·90	0·12	13·65
0·72	2·14	0·48	0·12	0·50	0·08	1·00	0·70	..	8·78
0·70	1·78	0·77	0·80	0·80	0·21	1·33	0·80	0·35	2·04
1·00	1·22	0·48	0·60	0·08	0·08	0·30	0·85	0·06	8·25
0·20	0·19	0·13	0·10	..	0·08	0·04	0·20	..	1·61
0·03	0·70	1·04	0·16	..	0·18	0·05	..	..	4·01
16·51	33·04	13·94	10·00	11·40	7·87	35·90	14·10	0·97	224·88
1·04	2·07	0·98	0·80	0·60	0·25	1·42	0·57	0·10	12·455
4·18	5·01	2·36	2·50	2·00	2·03	6·18	2·53	0·20	39·80
..	..	0·03	0·05	0·07	0·04	0·18	0·40	..	1·43
5·22	7·08	3·37	3·35	2·67	2·42	7·78	3·50	0·30	53·68

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